HOUSING
Element

City of Solana Beach
General Plan Program

CITY OF SOLANA BEACH
HOUSING ELEMENT

1999-2004

Adopted November 16, 1999

Prepared by:
SourcePoint
401 B St. Suite 800
San Diego, CA 92101
(619) 595-5300

Solana Beach City Council

Marion Dodson, Mayor

Joe Kellejian, Deputy Mayor

Thomas Campbell, Councilmember

Tom Golich, Councilmember

Marcia Smerican, Councilmember

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Executive Summary

The Housing Element for the City of Solana Beach is an element of the City's General Plan. It covers the time period of July 1, 1999 to June 30, 2004.

Background Information

Solana Beach, established in 1986, has the second smallest population (13, 945 in 1998) in the San Diego region. The City covers approximately 3 ½ square miles along the Pacific Ocean with Del Mar to the south and Encinitas to the north, and is predominantly residential in character. The City has a transit station with Amtrak service and commuter rail service via the Coaster to Oceanside and downtown San Diego, and is bisected by Interstate 5, one of the region's two major north-south freeways. East of the freeway is characterized by lower density single family housing, and west of the freeway is characterized by higher density single family and multi-family housing.

Needs Assessment

According to SANDAG's Preliminary 2020 Cities/County Forecast, Solana Beach is expected to gain 769 new residents and 180 new households between 1998 and 2005. The characteristics of the City's population, housing, and employment that affect its housing goals, policies and programs include:

Population/ Household Characteristics

- A larger percentage of residents in the age groups 35 and older than the region.
- An ethnic breakdown of 77 percent White, 19 percent Hispanic, 3 percent Asian/Other, and 0.4 percent Black.
- A smaller household size (2.49) than the region (2.83) reflective of the smaller percentage of children and higher percentage of those in the 55+ and older age group.
- A median household income of $63,450 — $21,100 higher than the region.

Land Use Characteristics

- A low supply (less than 39 acres) of vacant developable land.
- A majority of developed land (55 percent) in residential use.

Employment Characteristics

- An employment base that consists mainly of service sector and retail jobs.

Housing Stock Characteristics

- Low rates of housing construction because of the limited availability of vacant land.
- A large percentage (64 percent) of single family homes.
- A higher rate of homeownership than in the region.
- A median housing price of $455,200, $283,000 higher than in the region.
- Higher rents than in the region.
- Extremely low vacancy rates.

Assisted Housing Units at Risk of Converting to Market Rate Rents

- Two assisted housing developments are at risk of conversion to market rate housing during the housing element cycle.

Goals and Policies

The primary goal of the City of Solana Beach is to ensure that decent, safe housing is available at a cost that is affordable to all current and future residents of the City. To achieve this goal the City has defined the following sub-goals:

Goal 1: Encourage the adequate provision of a range of housing opportunities that will meet Solana Beach's share of the existing and future housing needs of the region.

Goal 2: Minimize governmental constraints to the development, improvement, and maintenance of housing.

Goal 3: Maintain and enhance the quality of residential neighborhoods in Solana Beach.

Goal 4: Conserve existing affordable housing opportunities.

Goal 5: Promote equal opportunity for all residents to live in the housing of their choice.

In addition to these written goals, Solana Beach has two sets of numerical goals that are addressed in this housing element: the City's share of the region's future housing needs (regional share needs) and the affordable housing goal for self-certification, which are divided into several income categories. The regional share number is divided into four income categories: very low, low, moderate, and above moderate. The affordable housing goal establishes the number of additional housing opportunities that must be provided for extremely low, very low and low income households in order to self-certify Solana Beach's 2004-2009 housing element.

Table 1 summarizes the regional share need and self-certification affordable housing goals.

Table 1
REGIONAL SHARE NEEDS AND SELF-CERTIFICATION GOALS
Solana Beach, 1999-2004

Income Category	Regional Share Needs	Self-Certification Goal
Extremely Low Income	n/a	14
Very Low Income	27	17
Low Income	26	21
Moderate Income	24	n/a
Above Moderate Income	28	n/a

In addition to proposing programs to encourage the construction of new affordable housing in Solana Beach and additional affordable housing opportunities using existing housing, the housing element is required to show that the City has adequate sites with appropriate zoning and adequate public services to accommodate its regional share goals. Based on its existing general plan and zoning ordinance, Solana Beach has the capacity to accommodate its share of the region's housing needs based on its vacant and infill residential land, vacant/infill and redevelopment commercial land with mixed-use potential, and second dwelling unit capacity.

Programs

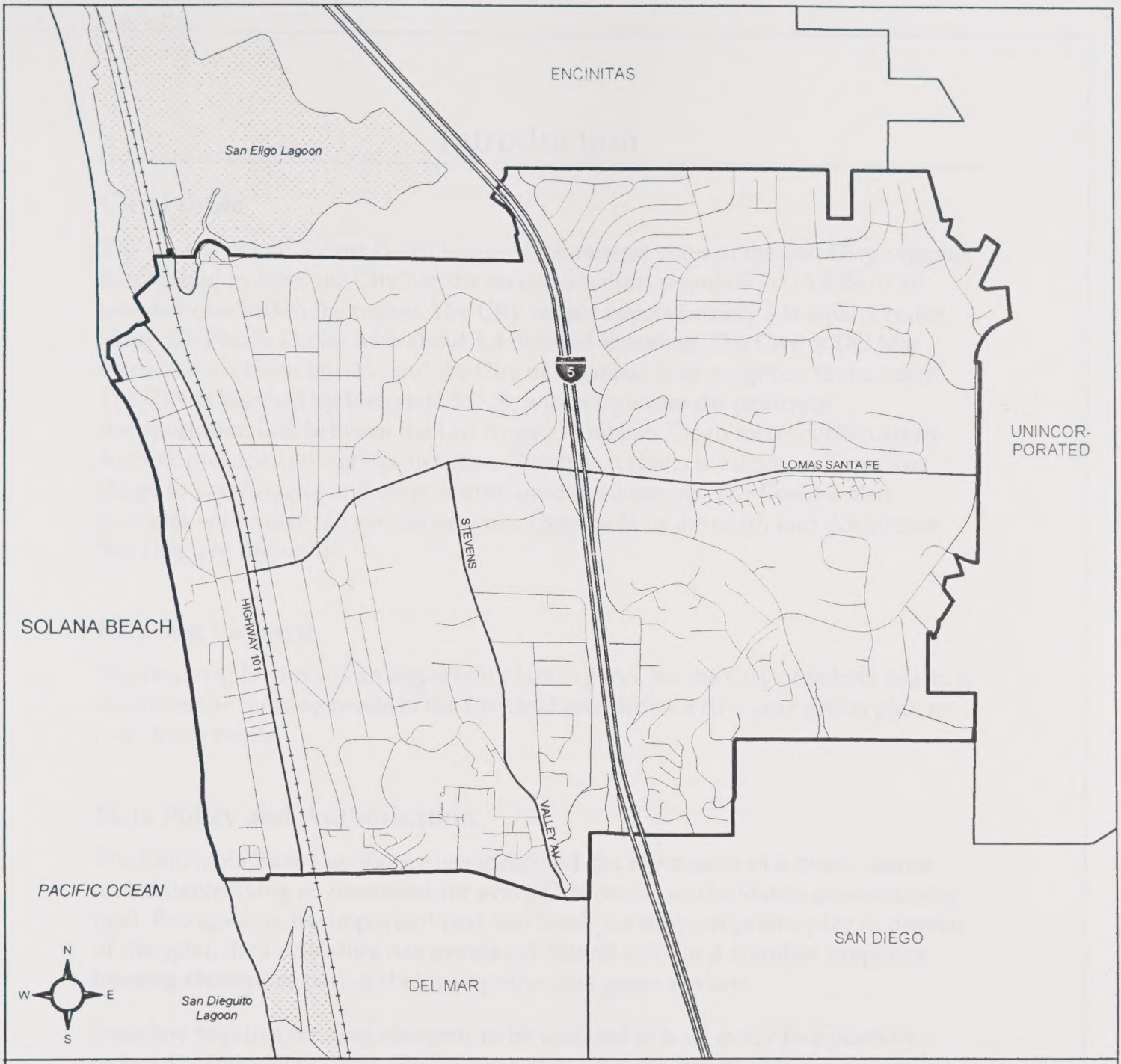
Programs Solana Beach will implement to achieve the City's housing goals, including the regional share goals and affordable housing goals, include:

- Encouraging mixed-use development
- Encouraging second dwelling units
- Continuing implementation of the inclusionary housing program/in-lieu fees

- Adopting a density bonus law
- Participating in Del Mar's shared housing program
- Providing lower income affordable replacement housing in accordance with redevelopment law
- Illegal unit conversion
- Section 8 rental assistance
- Condominium conversion policy
- Preservation of "at risk" units
- Capital Improvements Program
- Residential code enforcement
- Residential rehabilitation
- Review of current plans and policies regarding homeless facilities
- Mortgage Credit Certificates (MCC)

These programs provide a range of activities that the City will undertake to promote the provision of housing opportunities to serve all income levels.

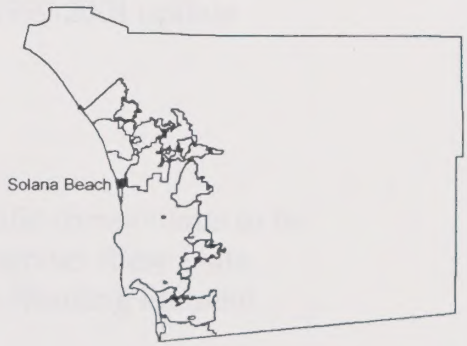
CHAPTER 1
INTRODUCTION



City of Solana Beach

Map 1.

- Railroads
- Freeway
- Major Roads
- Minor Roads
- Solana Beach City Boundary
- Surrounding Jurisdiction Boundaries
- Lakes/Lagoons



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Map Date: June 11, 1999

SourcePoint

Introduction

City Profile

The coastal city of Solana Beach is one of the newest cities in the San Diego region. Established in 1986, the City has the second smallest population (13,945) of all jurisdictions within the region. The City covers approximately 3 ½ square miles along the Pacific Ocean with about 1.4 miles of shoreline. The City of Del Mar forms the southern border, and the City of Encinitas is its neighbor to the north. The City is bisected by Interstate 5 (I-5), which provides the principal transportation link between the Los Angeles and San Diego metropolitan areas. Amtrak provides rail service to Solana Beach as it spans the distance from San Diego to Los Angeles and other northbound destinations. The Coaster also provides commuter rail service between Oceanside to the north and downtown San Diego to the south.

Housing Element

The Housing Element is an important planning tool for the City of Solana Beach. It identifies the housing needs of the City and establishes a five-year action plan to meet these needs.

State Policy and Authorization

The California State Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State's main housing goal. Recognizing the important part that local planning programs play in pursuit of this goal, the Legislature has mandated that all cities and counties prepare a housing element as part of their comprehensive general plans.

State law requires housing elements to be updated at least every five years to reflect a community's changing housing needs. Solana Beach's Housing Element was last updated in 1991. The law was amended to extend the deadline to 1999 for jurisdictions in the San Diego region. This document is the 1999-2004 update required for jurisdictions within the San Diego region.

Organization of the Housing Element

Section 65302(c) of the Government Code sets forth the specific components to be contained in a community's housing element. Table 2 summarizes these State requirements and identifies the sections in the Solana Beach Housing Element where these requirements are addressed.

Table 2
STATE HOUSING ELEMENT REQUIREMENTS
California, 1999

Required Housing Element Component	Page
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4. Conserve and improve the condition of the existing and affordable housing stock in Solana Beach.	126

Relationship to Other General Plan Elements

The City of Solana Beach's General Plan contains elements addressing Land Use, Circulation, Housing, Conservation, Open Space, Noise, and Safety. The content of this Housing Element is consistent with the goals and policies of all elements of the General Plan.

Public Participation

As part of the Housing Element update process, one Housing Element information session and one Housing Element Workshop were conducted with the Solana Beach City Council and members of the public. Residents, members of the non-profit community, and housing advocates were invited to participate in the workshop, which focused on programs the City could implement to meet its housing goals.

Additionally, the draft Housing Element was released for a 45 day public review period, and a public hearing was held before the adoption of the Housing Element.

Sources of Information

The Regional Housing Needs Statement produced by the San Diego Association of Governments (SANDAG) in 1999 provided the majority of the background material for the preparation of the Housing Element. This document includes data from the 1990 Census and SANDAG's Population and Housing Estimates, among other sources.

CHAPTER 2
NEEDS ASSESSMENT

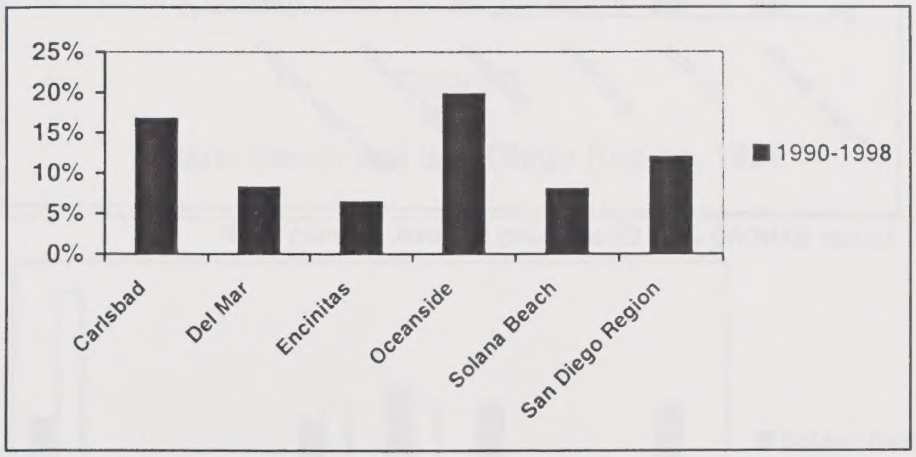
Needs Assessment

This section of the Housing Element discusses the major components of housing need in Solana Beach. The major components of this need are the City's population, household, land use, economic and housing stock characteristics. Each of these components are presented in a regional context, and, where relevant, in the context of the other North County coastal cities of Carlsbad, Del Mar, Encinitas and Oceanside. This needs assessment serves as the basis for identifying the appropriate goals, policies and programs for the City to implement during the 1999-2004 housing element cycle.

Population Characteristics

The population in the region is growing. In 1990, the population of the San Diego region was 2,498,016. It is estimated that by 1998 the region's population had grown to 2,794,785, an increase of 12 percent, as shown by Figure 1. During this same time period, Solana Beach's population increased by approximately 8 percent, from 12,962 in 1990 to 13,945 in 1998, making it the second smallest city in the San Diego region.

Figure 1
PERCENT CHANGE IN POPULATION
North County Coastal Cities and San Diego Region, 1990-1998

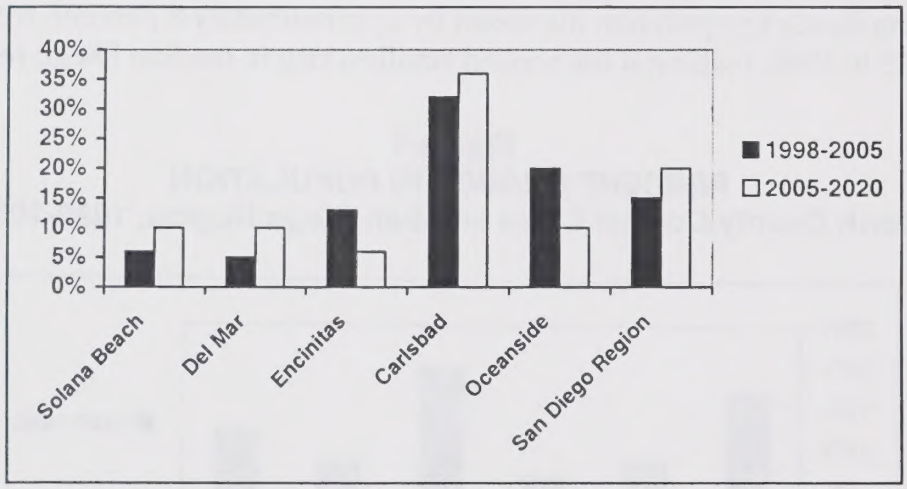


Source: 1990 Census; SANDAG 1998 Demographic and Economic Estimates

Projected Population

Figure 2 compares projected population growth in the City of Solana Beach to that of the surrounding North County coastal cities and the San Diego region as a whole. Between 1998 and 2005, it is anticipated that the population of the San Diego region will grow by approximately 15 percent, a gain of 428,689 new residents. During this time period, Solana Beach is expected to grow by 6 percent, a gain of 769 new residents. Between 2005 and 2020, the region's population will increase by 20 percent, while the population in Solana Beach will increase by only 10 percent. Lower growth rates in the cities of Solana Beach, Del Mar, and Encinitas can be partially attributed to limited land availability.

Figure 2
PROJECTED CHANGE IN POPULATION
North County Coastal Cities and San Diego Region, 1998-2020



Source: SANDAG 2020 Cities/County Forecast, February 1999

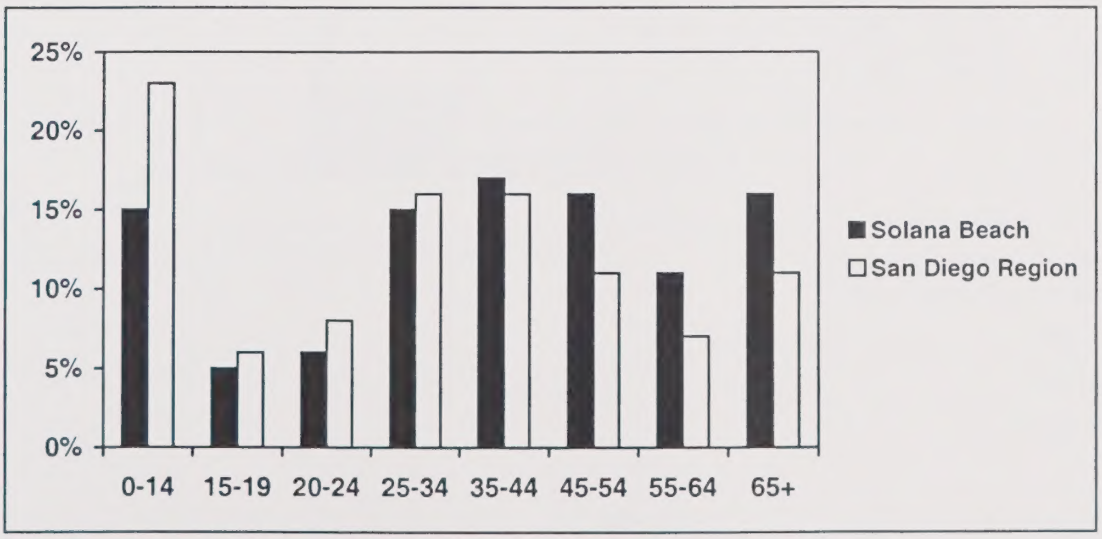
Age Characteristics

Housing demand within the market is often determined by the preferences of certain age groups. Traditionally, both the young adult population (20-34 years of age) and the elderly population tend to favor apartments, low- to moderate- cost condominiums, and smaller single family units. Persons between 35 and 65 years old often provide the major market for moderate to high-cost apartments and condominiums and larger single family units because they tend to have higher incomes and larger sized households.

Solana Beach has the third highest median age in the San Diego region. In 1990, the median age in Solana Beach was 37.6, approximately 7 years higher than the regional median age of 30.9. By 1998, the median age in the city had increased to 40.3, while the regional median age increased to 33.2. The increase in median age both locally and regionwide is consistent with state and nationwide trends, and can be attributed to the aging of the "baby boom" generation.

Figure 3 compares resident age in Solana Beach to that of the region. Solana Beach has a smaller percentage of residents under the age of 20 than the region as a whole. This indicates that there are fewer families with children in the city. The city also has a smaller percentage of residents between the ages of 20 and 34. The majority (60 percent) of residents in Solana Beach are over the age of 35. Solana Beach has the third highest percentage of residents age 65 and older and the third lowest percentage of residents under the age of 5 among jurisdictions in the San Diego region.

Figure 3
AGE
Solana Beach and San Diego Region, 1998



Source: SANDAG 1998 Demographic and Economic Estimates

Race/ Ethnicity Characteristics

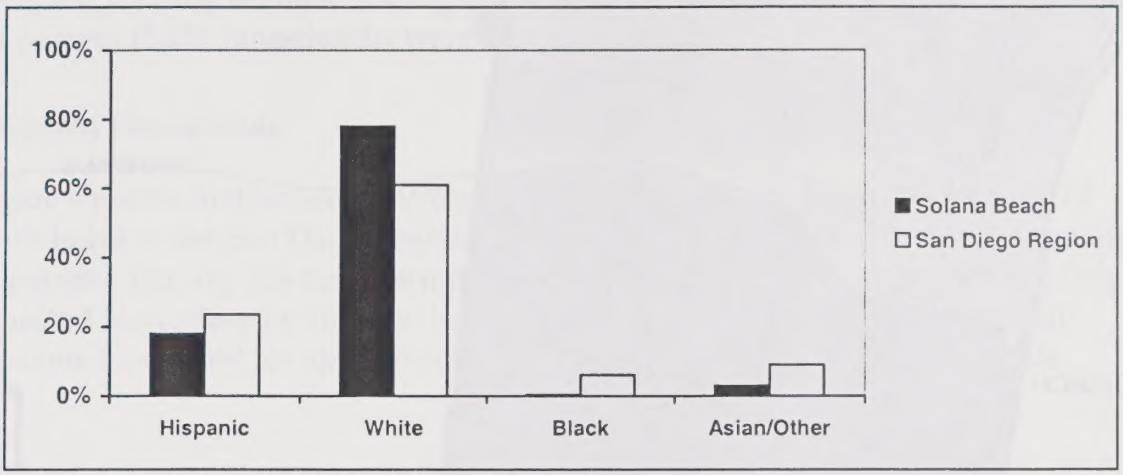
Information on ethnicity is important to an analysis of housing demand, as ethnicity tends to correlate with other characteristics such as family size, location choices, and mobility. They are also reflective of income, as shown in Figure 4. In the San Diego region, non-White populations tend to have a much higher incidence of poverty.

Figure 4
POVERTY STATUS BY RACE AND HISPANIC ORIGIN
San Diego Region, 1990

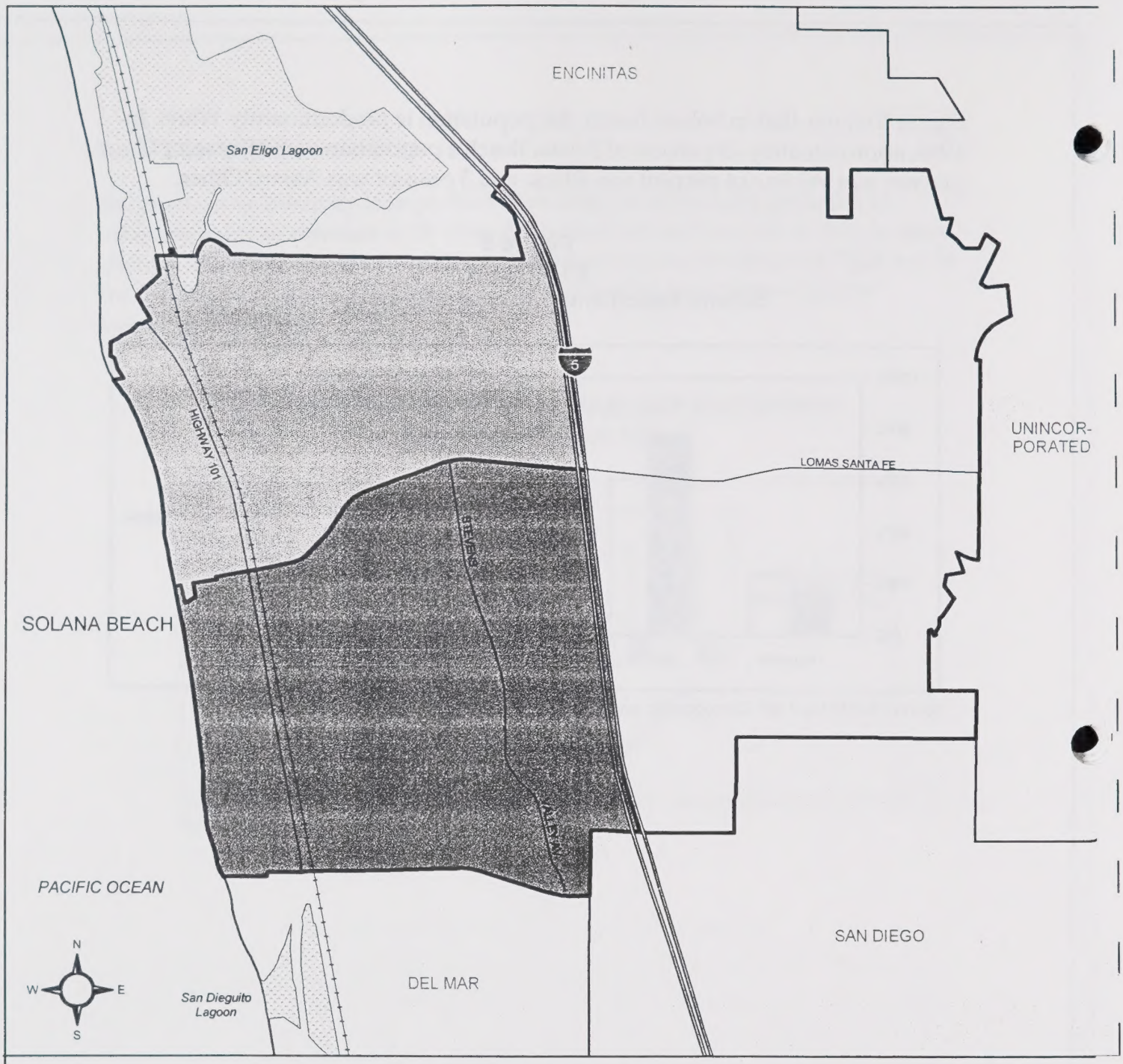
Source: 1990 Census

Figure 5 shows that in Solana Beach, the population is predominantly White. In 1998, approximately 19 percent of Solana Beach's population was Hispanic, 77 percent was White, 0.4 percent was Black, and 3 percent was Asian/Other.

Figure 5
ETHNICITY
Solana Beach and San Diego Region, 1998



Source: SANDAG 1998 Demographic and Economic Estimates



City of Solana Beach

Map 2. Percent Hispanic, Black, Asian/other by Census Tract

- 10%
- 12%
- 38%

0.5 0 0.5 Miles

Solana Beach 1990 Census Tracts

Source: SANDAG 1998 Estimates.
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Map Date: June 11, 1999

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Household Characteristics

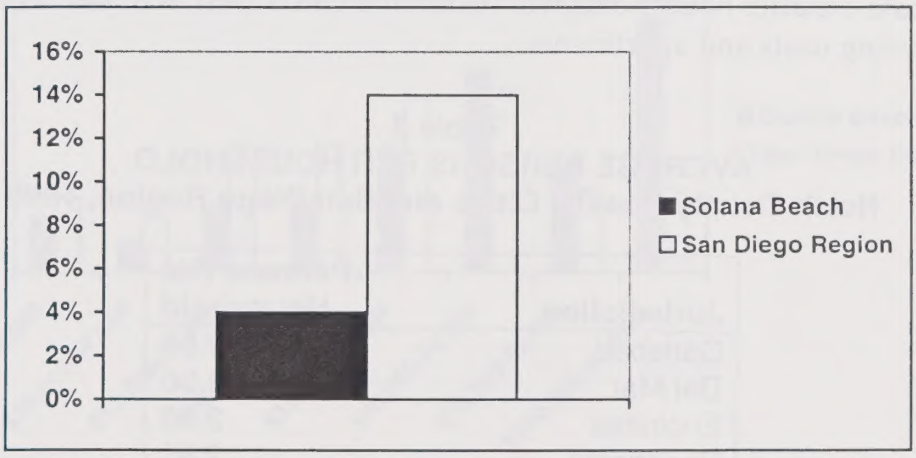
Many household characteristic factors may contribute to the need for housing, some of which are described in this section: projected households, household size, household income, overcrowding, and overpayment.

It is estimated that by 1998 there were 951,794 households (also known as occupied housing units) in the region, an increase of 7 percent since 1990. Of these, 0.6 percent (5,576 households) were located in Solana Beach.

Projected Households

Figure 6 shows that between 1998 and 2005, it is anticipated that the number of households in the San Diego region will grow by 136,908, a gain of approximately 14 percent. During this time period, the number of households in Solana Beach is expected to increase by 180 new households, a gain of 4 percent. The city will continue to account for approximately 0.5 percent of the region's households.

Figure 6
PROJECTED CHANGE IN NUMBER OF HOUSEHOLDS
Solana Beach and San Diego Region, 1998-2005



Source: SANDAG 2020 Cities/County Forecast

Household Size

Household size is a significant factor in housing demand. Often, household size can be used to predict the unit size that a household will select. For example, small households (1-2 persons per household) traditionally can find suitable housing in units with 0-2 bedrooms while larger households (3 or more persons per household) can usually find suitable housing in units with 3-4 bedrooms. People's choices, however, also reflect preference and economics. Thus, many small households prefer, and obtain, large units. Household size is also related to choice of locations.

In 1998, the average number of persons per household in the San Diego region ranged from 2.3 to 3.3, with a regionwide average of 2.8 persons per household. Solana Beach had an average of 2.49 persons per household, representing a small increase from 1990, when 2.35 persons per household was the average. Table 3 compares household size in Solana Beach to household size in the surrounding North County coastal cities. Household size is fairly similar among the cities, which, with the exception of the City of Oceanside, have smaller household sizes than the regional average. SANDAG estimates that average household size in the region will begin to decrease over the next 20 years. This decrease can be attributed to the trend toward smaller families in the United States today, a growing elderly population, postponement of childbearing, and an increased divorce rate. Smaller households will result in an increased demand for smaller sized housing units and apartments.

Table 3
AVERAGE PERSONS PER HOUSEHOLD
North County Coastal Cities and San Diego Region, 1998

Jurisdiction	Persons Per Household
Carlsbad	2.55
Del Mar	2.30
Encinitas	2.66
Oceanside	2.91
Solana Beach	**2.49**
San Diego Region	2.83

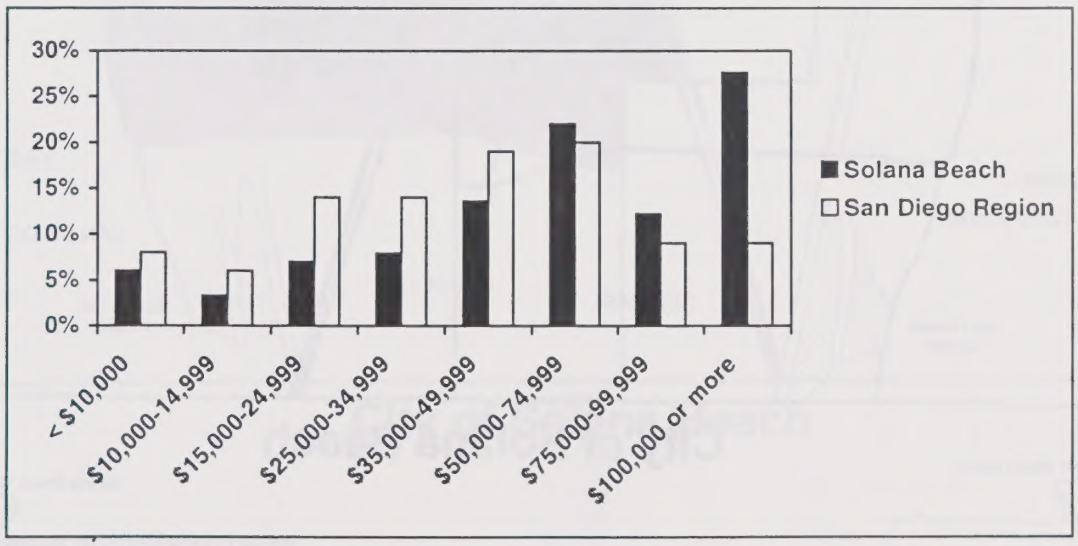
Source: SANDAG 1998 Demographic and Economic Estimates

Household Income

Income levels influence the range of housing prices within a community and the ability of the population to afford housing. As household income increases, the number of homeowners increases. As household income decreases, the number of households paying a disproportionate amount of their income for housing and the amount of persons occupying unsound and overcrowded housing increases.

Household incomes in Solana Beach tend to be higher than those in the region as a whole. Median household income in Solana Beach was nearly $63,450 in 1998, $21,100 higher than the median income for the San Diego region. Figure 7 compares household income in Solana Beach and in the San Diego region in 1998. Approximately 62 percent of Solana Beach households had incomes over $50,000, 22 percent more than regionwide. Approximately 28 percent of Solana Beach households earned $100,000 or more, compared to 10 percent regionwide. Slightly less than 10 percent of Solana Beach residents earned less than $15,000 annually, compared to 13 percent regionwide.

Figure 7
HOUSEHOLD INCOME
Solana Beach and San Diego Region, 1998



Source: SANDAG 1998 Demographic and Economic Estimates

ENCINITAS

San Eligo Lagoon

UNINCOR-
PORATED

HIGHWAY 101

LOMAS SANTA FE

STEVENS

SOLANA BEACH

VALLEY AV

PACIFIC OCEAN

SAN DIEGO

N
W E
S

San Dieguito
Lagoon

DEL MAR

City of Solana Beach

Map 3. Median Household Income by Census Tract

- $48,711
- $63,745
- $94,671

0.5 0 0.5 Miles

Solana Beach 1990 Census Tracts

Source: SANDAG 1998 Estimates.
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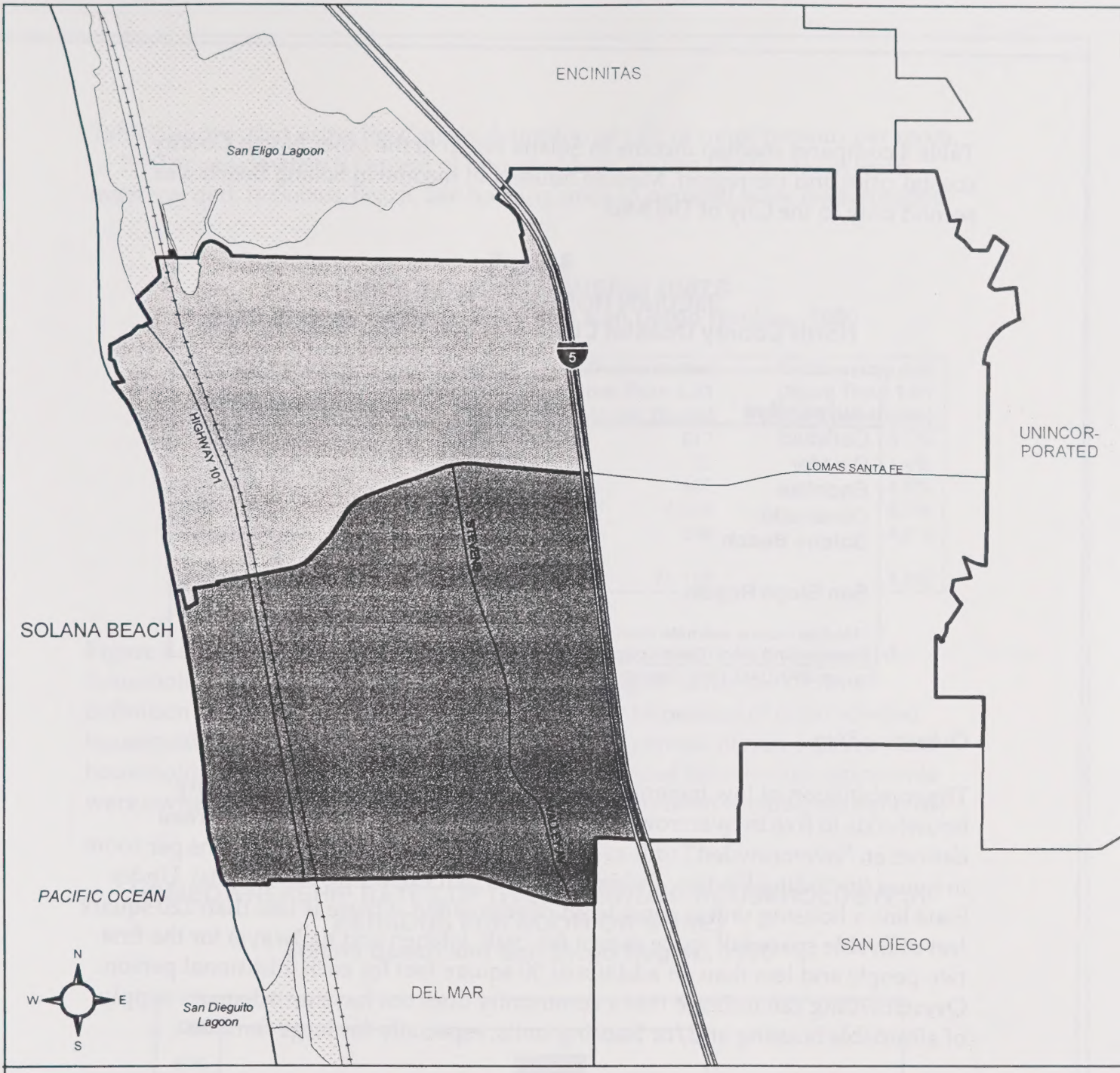


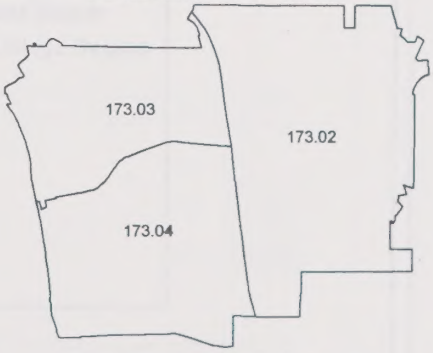
City of Solana Beach

Map 4. Percent of Population below Poverty by Census Tract

- 4%
- 11%
- 15%

0.5 0 0.5 Miles

Solana Beach 1990 Census Tracts



Source: SANDAG, 1990 Census.
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Table 4 compares median income in Solana Beach to the other North County coastal cities and the region. Median household income in Solana Beach was second only to the City of Del Mar.

Table 4
MEDIAN HOUSEHOLD INCOME*
North County Coastal Cities and San Diego Region, 1998

Jurisdiction	Median HH Income*	Percent Above/Below Regional Median
Carlsbad	$54,634	+29%
Del Mar	$66,320	+57%
Encinitas	$57,323	+35%
Oceanside	$39,836	-6%
Solana Beach	**$63,450**	**+50%**
San Diego Region	$42,356	0%

*Median income estimate does not match that given by the U.S. Department of Housing and Urban Development, as it does not account for household size.

Source: SANDAG 1998 Demographic and Economic Characteristics

Overcrowding

The combination of low incomes and high housing costs has forced many households to live in overcrowded housing conditions. The Census Bureau defines an "overcrowded" unit as one occupied by 1.01 or more persons per room in house (including kitchen, living room, etc., but excluding bathrooms). Under State law a housing unit is considered overcrowded if there is less than 120 square feet of livable space (all space except the bath, kitchen and hallways) for the first two people and less than an additional 50 square feet for each additional person. Overcrowding can indicate that a community does not have an adequate supply of affordable housing and/or housing units, especially for large families.

Table 5 shows that using the Census definition of 1.01 or more persons per room, in 1990 approximately 9 percent of households in the San Diego region were overcrowded. In Solana Beach, 246 housing units (5 percent) were overcrowded.

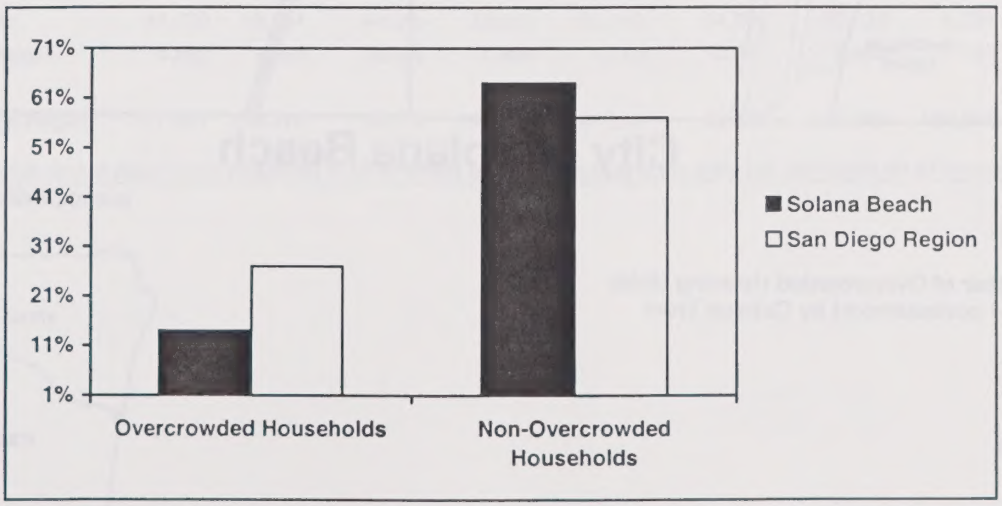
Table 5
OVERCROWDED HOUSING UNITS
North County Coastal Cities and San Diego Region, 1990

Jurisdiction	Occupied Housing Units	Overcrowded (More Than 1.01 Persons per Room)	% Overcrowded (More Than 1.01 Persons per Room)
Carlsbad	24,995	917	3.7%
Del Mar	2,224	32	1.4%
Encinitas	20,782	962	4.6%
Oceanside	46,741	4,084	8.7%
Solana Beach	**5,495**	**246**	**4.5%**
San Diego Region	887,403	78,182	8.8%

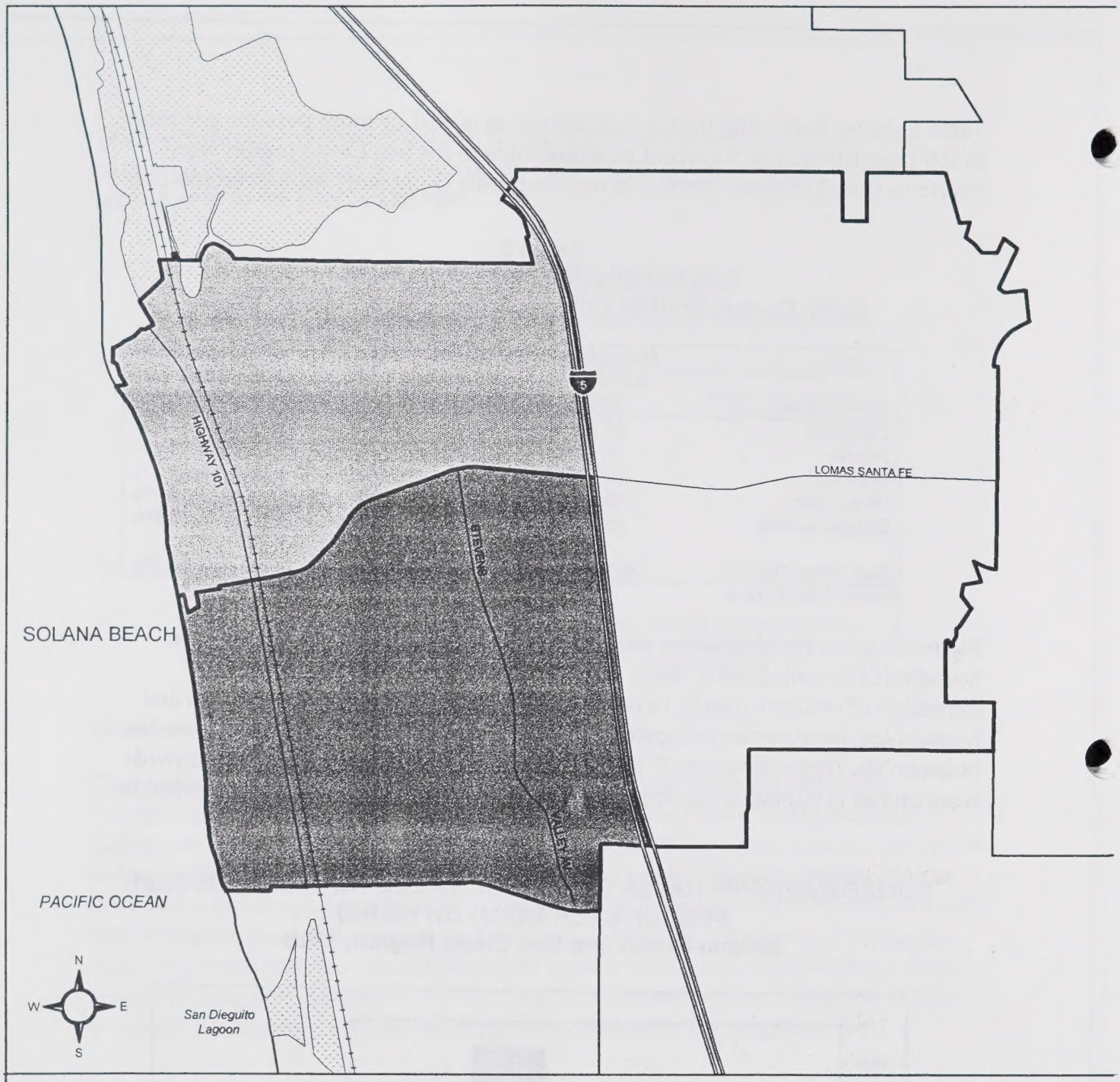
Source: 1990 Census

Figure 8 shows that homeownership rates are much lower for overcrowded households in both Solana Beach and the region (again using the Census definition of overcrowding). In Solana Beach, only 14 percent of overcrowded households were owner occupied, compared to 64 percent of non-overcrowded households. Approximately 17 percent of overcrowded households regionwide were owner occupied, compared to 57 percent of non-overcrowded households.

Figure 8
HOMEOWNERSHIP RATES OF OVERCROWDED HOUSEHOLDS (1.01 PERSONS PER ROOM OR MORE)
Solana Beach and San Diego Region, 1990



Source: 1990 Census



City of Solana Beach

Map 5. Number of Overcrowded Housing Units (more than 1 person/room) by Census Tract

- 10
- 38
- 198

0.5 0 0.5 Miles

Solana Beach 1990 Census Tracts

Source: SANDAG, 1990 Census.
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Overpayment

Measuring the portion of a household's gross income that is spent for housing is an indicator of the dynamics of demand and supply. This measurement is often expressed in terms of overpayers: households paying an excessive amount of their income for housing, therefore decreasing the amount of disposable income available for other needs. This indicator is an important measurement of local housing market conditions as it reflects the affordability of housing in the community. Federal and state agencies use overpayment indicators to determine the extent and level of funding and support that should be allocated to a community. State and federal programs typically define overpayers as those lower income households paying over 30 percent of household income for housing costs.

Table 6 shows that in 1990, 41 percent of households in the San Diego region were paying over 30 percent of their income towards housing costs. In Solana Beach, 39 percent of all households were overpaying. Renters were more likely to overpay than owners; in Solana Beach 51 percent of renters overpaid, compared to 29 percent of owners.

Table 6
HOUSEHOLDS* PAYING MORE THAN 30% OF INCOME FOR HOUSING COSTS
North County Coastal Cities and San Diego Region, 1990

				Renters			Owners		
	Total	Paying 30%+	% Paying 30%+	Total	Paying 30%+	% Paying 30%+	Total	Paying 30%+	% Paying 30%+
Carlsbad	21,747	8,945	41.1%	9,122	4,295	47.1%	12,625	4,650	36.8%
Del Mar	1,960	712	36.3%	1,016	456	44.9%	944	256	27.1%
Encinitas	18,607	7,435	40.0%	7,622	3,584	47.0%	10,985	3,851	35.1%
Oceanside	41,090	18,434	44.9%	18,856	10,180	54.0%	22,234	8,254	37.1%
Solana Beach	**4,682**	**1,803**	**38.5%**	**1,984**	**1,010**	**50.9%**	**2,698**	**793**	**29.4%**
San Diego Region	777,607	316,474	40.7%	391,738	193,558	49.4%	385,869	122,916	31.9%

* Households do not equal totals presented in other tables because housing costs were not computed for all households.

Source: 1990 Census

Special Needs Groups

The following special needs groups have a significant impact upon the demand for housing. Often these groups "compete" for the same housing due to the lack of affordable housing. Identifying special needs groups is necessary to fully assess Solana Beach's housing needs and to meet Housing Element requirements. The special needs groups analyzed include the elderly, people with disabilities, homeless people, single parents, farmworkers, large households, and students. Many of these groups overlap, for example many farmworkers are homeless and many elderly people have a disability of some type. The majority of these special needs groups would be assisted by an increase in affordable housing, especially housing located near transit stations.

Elderly

The limited income of many elderly persons often makes it difficult for them to find affordable housing. In the San Diego region, the elderly spend a higher percentage of their income for food, housing, medical care, and personal care than non-elderly families. Many single elderly persons need some form of housing assistance.

Table 7 shows that in 1998 Solana Beach had the second highest percentage of elderly persons in the North County Coastal area, second only to the City of Del Mar. Approximately 16 percent of residents were age 65 and over, compared to 11 percent regionwide. Of the 2,175 elderly persons in the city, 44 percent were age 75 and over.

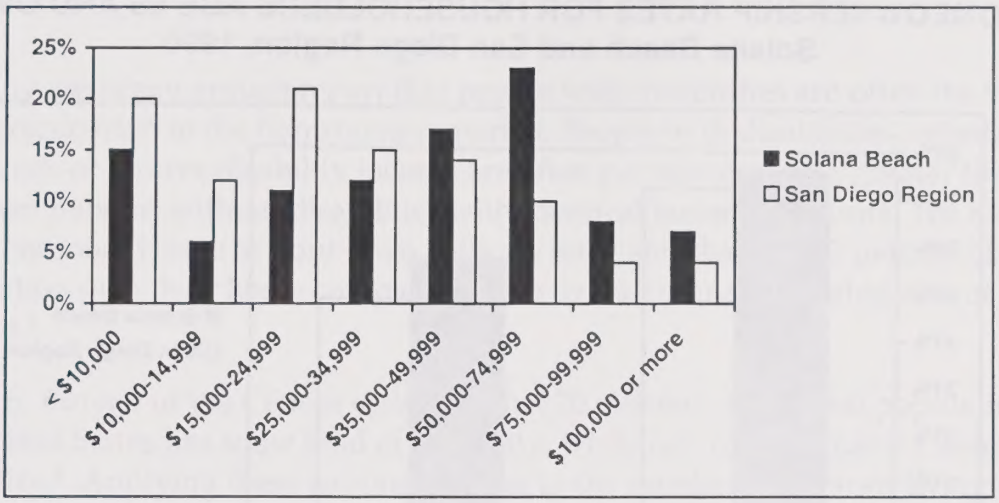
Table 7
PERSONS AGE 65 AND OVER
North County Coastal Cities and San Diego Region, 1998

Jurisdiction	Total	Age 65+	Percent Age 65+
Carlsbad	73,688	9,360	12.7%
Del Mar	5,257	845	16%
Encinitas	58,915	5,672	9.6%
Oceanside	153,869	19,573	12.7%
Solana Beach	**13,945**	**2,175**	**15.6%**
San Diego Region	2,724,785	319,634	11.4%

Source: SANDAG 1998 Demographic and Economic Estimates

Figure 9 shows that in 1989, householders over the age of 65 in Solana Beach tended to have higher incomes than those regionwide. Approximately 56 percent of elderly residents in Solana Beach had incomes over $35,000, compared to 32 percent regionwide.

Figure 9
INCOME OF HOUSEHOLDERS AGE 65 AND OVER
Solana Beach and San Diego Region, 1989



Source: 1990 Census

Additionally, a smaller percentage of persons age 65 and over in Solana Beach live below the poverty level, as shown by Table 8. In 1990, 6 percent of the San Diego region's residents age 65 and over were living in poverty, compared to about 3 percent in Solana Beach.

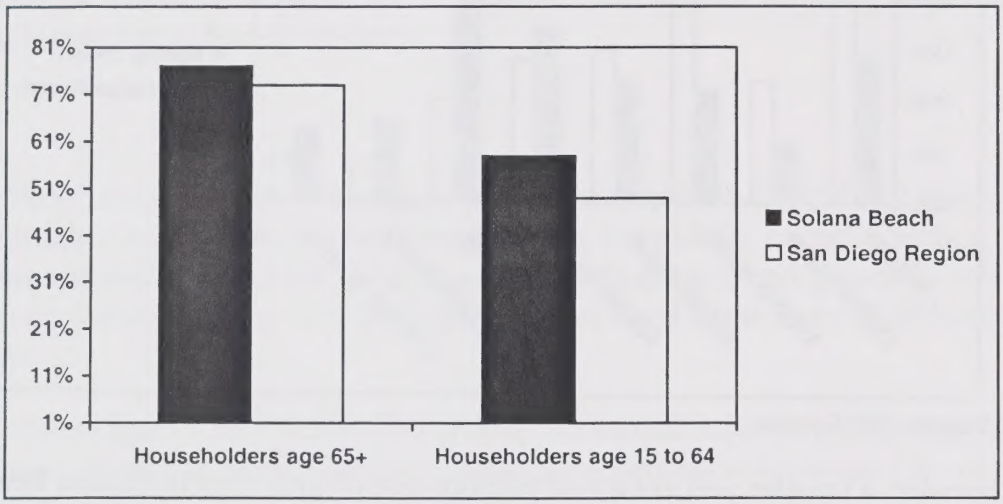
Table 8
POVERTY STATUS FOR PERSONS AGE 65 AND OVER
Solana Beach and San Diego Region, 1990

	Total Persons Age 65 and Over	Persons Age 65 and Over Below Poverty Level	Percent Below Poverty Level
Solana Beach	2,175	59	2.7%
San Diego Region	319,634	20,136	6.3%

Source: 1990 Census

Figure 10 shows that homeownership rates in Solana Beach are higher for householders age 65 and over than in the region as a whole. In Solana Beach, 77 percent of householders age 65 and over owned their own home, compared to 58 percent of householders age 15-64. Regionwide, approximately 73 percent of householders age 65 and over own their own home, compared to 49 percent of householders age 15-64.

Figure 10
HOMEOWNERSHIP RATES FOR HOUSEHOLDERS AGE 65 AND OVER
Solana Beach and San Diego Region, 1990



Source: 1990 Census

People with Disabilities

According to the U.S. Bureau of the Census, a person is considered to have a disability if he or she has difficulty performing certain functions (seeing, hearing, talking, walking, climbing stairs and lifting and carrying), or has difficulty with certain social roles (e.g., doing school work for children, working at a job and around the house for adults). A person who is unable to perform one or more activities, uses an assistive device to get around, or who needs assistance from another person to perform basic activities is considered to have a severe disability.

Four factors — affordability, design, location and discrimination — significantly limit the supply of housing available to households of persons with disabilities. The most obvious housing need for persons with disabilities is housing that is adapted to their needs. Most single family homes are inaccessible to people with mobility and sensory limitations. Housing may not be adaptable to widened doorways and hallways, access ramps, larger bathrooms, lowered countertops and other features necessary for accessibility. Location of housing is also an important

factor for many persons with disabilities, as they often rely upon public transportation to travel to necessary services and shops.

Additionally disabilities can hinder the ability of a person to earn an adequate income to afford housing. The U.S. Bureau of the Census estimates that 70 percent of all people with severe disabilities are unemployed and rely upon fixed monthly disability incomes which are rarely adequate for the payment of market rate rent.[1] The California Right to Housing Campaign estimates that 15 percent of persons with disabilities in the State of California were living below the poverty level in 1988.

Housing advocacy groups report that people with disabilities are often the victims of discrimination in the homebuying market. People with disabilities, whether they work or receive disability income are often perceived to be a greater financial risk than persons without disabilities with identical income amounts. The non-profit National Home of Your Own Alliance estimates that only 2 percent of this population own their home compared to the overall homeownership rate of 66 percent.[2]

The U.S. Bureau of the Census estimates that 20 percent of the total population in the United States has some kind of disability, while half of those have a severe disability.[3] Applying these national figures to the number of persons living in Solana Beach in 1998, it can be estimated that approximately 1,400 residents have a severe disability, and that approximately 2,780 had some kind of disability. The likelihood of having a disability increases with age — nationally half of seniors 65 and over have a disability.[4] Because Solana Beach has a larger percentage of residents over the age of 65, and a higher median resident age, housing accessible to persons with disabilities is a continuing need in the City.

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[1] Source: National Partners in Homeownership, KeyNotes, "Reaching People with Disabilities," 1998, pg 3

[2] Source: National Partners in Homeownership, KeyNotes, "Reaching People with Disabilities," 1998, pg. 3

[3] Source: U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census, Census Brief, "Disabilities Affect One-Fifth of All Americans, Proportion Could Increase in Coming Decades," Dec. 1997, pg. 1

[4] Source: U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census, Census Brief, "Disabilities Affect One-Fifth of All Americans, Proportion Could Increase in Coming Decades," Dec. 1997, pg. 1

Homeless

Throughout the country and the San Diego region, homelessness has become an increasing issue. Factors contributing to the rise in homelessness include a lack of housing affordable to low and moderate income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill.

Recent legislation governing housing elements (Section 65583(1)(6)) mandates that municipalities address the special needs of homeless persons within their jurisdictional boundaries. "Homelessness" as defined by the U.S. Department of Housing and Urban Development, describes an individual (not imprisoned or otherwise detained) who:

1) Lacks a fixed, regular, and adequate nighttime residence; and

2) Has a primary nighttime residence that is:

    - A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
    - An institution that provides a temporary residence for individuals intended to be institutionalized; or
    - A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

This definition does not include persons living in substandard housing (unless it has been officially condemned); persons living in overcrowded housing (e.g., doubled up with others), persons being discharged from mental health facilities (unless the person was homeless when entering and is considered to be homeless at discharge), or persons who may be at risk of homelessness (e.g. living temporarily with family or friends.)

The Regional Task Force on the Homeless is San Diego County's leading resource for information on issues of homelessness. Established in 1985, the Task Force promotes a regional approach as the best solution to ending homelessness in San Diego County. The Task Force is a public/private effort to build a base of understanding about the multiple causes and conditions of homelessness. According to the Task Force, the San Diego region's homeless population can be divided into two general groups: (1) urban homeless, and (2) rural homeless, including farm workers and day laborers who primarily occupy the hillsides, canyons and fields of the northern regions of the county. The Task Force estimates

that 70 percent of the homeless population in these two groups is comprised of single adults, while at least 25 percent of the population is made up of families. The remaining population is comprised of homeless youth and elderly persons. It is important to recognize that homeless individuals may fall into more than one category (e.g., a homeless individual may be a veteran and a substance abuser), making it difficult to accurately quantify and categorize the homeless.

The homeless population is very difficult to quantify. Census information on homeless populations is often unreliable, due to the difficulty of efficiently counting a population without permanent residences. The Task Force produces estimates that are obtained using observations of homeless service providers; estimates from local officials; reports from local surveys and studies; the 1990 Census; utilization rates of homeless facilities, services, and meal programs; and estimated counts of persons observed at known locations. Table 9 shows that the Task Force estimates that there were 20 homeless persons in Solana Beach in 1998. Solana Beach does not currently have any facilities for the homeless within its boundaries.

Table 9
HOMELESSNESS
North County Coastal Cities and San Diego Region, 1990 and 1998

		1998 Estimates					
Jurisdiction	1990 Census	Urban	Rural*	Total	Sheltered**	Unsheltered	Percent Unsheltered
Carlsbad	941	25	700	725	62	663	91%
Del Mar	0	10	20	30	0	30	100%
Encinitas	1,396	50	250	300	68	232	77%
Oceanside	47	600	700	1,300	400	900	69%
Solana Beach	**0**	**10**	**10**	**20**	**0**	**20**	**100%**
San Diego Region	8,762	9,120	7,190	16,310	3,961	12,349	76%

* Includes homeless farm workers and day laborers
** Based upon the number of shelter beds available each night

Source: 1990 Census, Regional Task Force on the Homeless, 1998

Single Parents

Single parents with dependent children represent another important group with special housing needs. Single-parent households often require special consideration and assistance because they tend to have lower incomes and a greater need for day care, health care, and related facilities. Table 10 shows that in 1990, Solana Beach had 308 single parent households. Of these, the majority (76 percent) were female headed households. Nearly 38 percent of female-headed households in Solana Beach lived below the poverty level, compared to about 35 percent regionwide.

Table 10
SINGLE PARENT HOUSEHOLDS
Solana Beach and San Diego Region, 1990

						Below Poverty	
	Total HHs	Single Parent HHs	Percent Total HHs	Female Headed HHs	Percent Single Parent HHs	Female Headed HHs	Percent Female Headed HHs
Solana Beach	5,495	308	5.6%	234	76%	88	37.6%
San Diego Region	887,403	82,301	9.3%	64,145	77.9%	22,303	34.8%

Source: 1990 Census

Farm Workers

Due to the high cost of housing and low wages, a significant number of migrant farm workers have difficulty finding affordable, safe and sanitary housing. It is estimated that there are between 100 and 150 farm worker camps located throughout the San Diego region, primarily in rural areas.[5] These encampments range in size from a few people to a few hundred and are frequently found in fields, hillsides, canyons, ravines, and riverbeds, often on the edge of their employer's property. Some workers reside in severely overcrowded dwellings, in packing buildings, or in storage sheds.

The housing needs of farm workers are frequently overlooked due to both the migratory nature of farm labor. Thus, farm workers are given low priority when addressing housing needs, and often receive the least hospitable housing. The San Diego County Regional Task Force on the Homeless estimates that at least 7,000 farm workers and migrant day laborers currently experience homelessness in the San Diego region.

[5] Source: Regional Task Force on the Homeless Regional Homeless Profile: 1998, page 47

Table 11 shows that in 1995 approximately 43 Solana Beach residents were employed in either agriculture, forestry, fishing or mining, accounting for less than 1 percent of total employment in the city. Agriculture does not play a significant role in Solana Beach; therefore, no need was designated for farmworker housing.

Table 11
AGRICULTURAL WORKERS
North County Coastal Cities and San Diego Region, 1995

Jurisdiction	Agricultural and Mining Workers	Percent of Total Employment
Carlsbad	916	2.5%
Del Mar	0	0
Encinitas	2,386	12.2%
Oceanside	1,080	3.4%
Solana Beach	**44**	**0.6%**
San Diego Region	11,100	1%

Source: SANDAG 1998 Demographic and Economic Characteristics

Large Households

Large households are identified as a group with special housing needs because of the limited availability of adequately sized, affordable housing units. Large households often have lower incomes and frequently live in overcrowded smaller dwelling units, which can result in accelerated unit deterioration. Table 12 compares the number of large households in Solana Beach to that in the region as a whole. In 1990, 8 percent of households in Solana Beach consisted of five or more persons, compared to 13 percent regionwide.

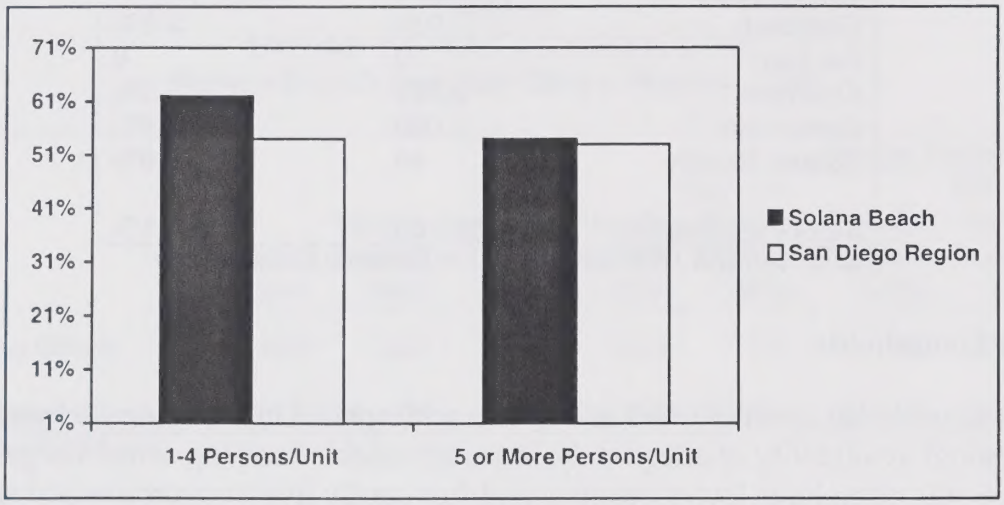
Table 12
LARGE HOUSEHOLDS
Solana Beach and San Diego Region, 1990

	Persons in Household			
Jurisdiction	5	6	7+	Total Households
Solana Beach	258	91	73	5,516
Percent of Total	4.7%	1.6%	1.3%	100.0%
San Diego Region	62,948	25,656	21,774	887,719
Percent of Total	7.1%	2.9%	2.5%	100.0%

Source: 1990 Census

Figure 11 shows that homeownership rates for large households were lower than for all households in both Solana Beach and the San Diego region. In Solana Beach, 54 percent of large households owned their own home, compared to 62 percent of households with less than 5 persons. Regionwide, 53 percent of large households owned their own home, compared to 54 percent of households with less than 5 persons.

Figure 11
HOMEOWNERSHIP RATES FOR LARGE HOUSEHOLDS (FIVE OR MORE PERSONS PER UNIT)
Solana Beach and San Diego Region, 1990



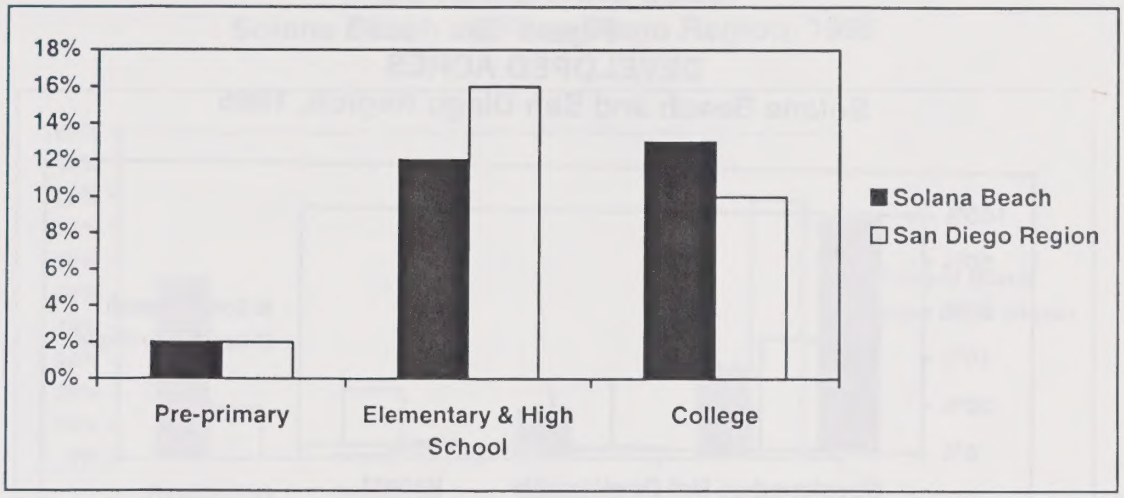
Source: 1990 Census

Students

The need for student housing is another significant factor affecting housing demand. Although students may produce only a temporary housing need, the impact upon housing demand is critical in areas that surround universities and colleges. Typically, students are low income, and are therefore affected by a lack of affordable housing, especially within easy commuting distance from campus. They often seek shared housing situations to decrease expenses, and can be assisted through roommate referral services offered on and off campus. The lack of affordable housing also influences choices students make after graduation, often with a detrimental effect upon the region's economy. College graduates provide a specialized pool of skilled labor that is vital to the economy; however the lack of affordable housing often leads to their departure from the region.

Figure 12 shows that in 1990, approximately 13 percent of Solana Beach residents were enrolled in college, a higher percentage than the region as a whole. Solana Beach does not have a college within its boundaries nor any housing specifically designated for students.

Figure 12
PERCENT OF RESIDENTS ENROLLED IN SCHOOL
Solana Beach and San Diego Region, 1990

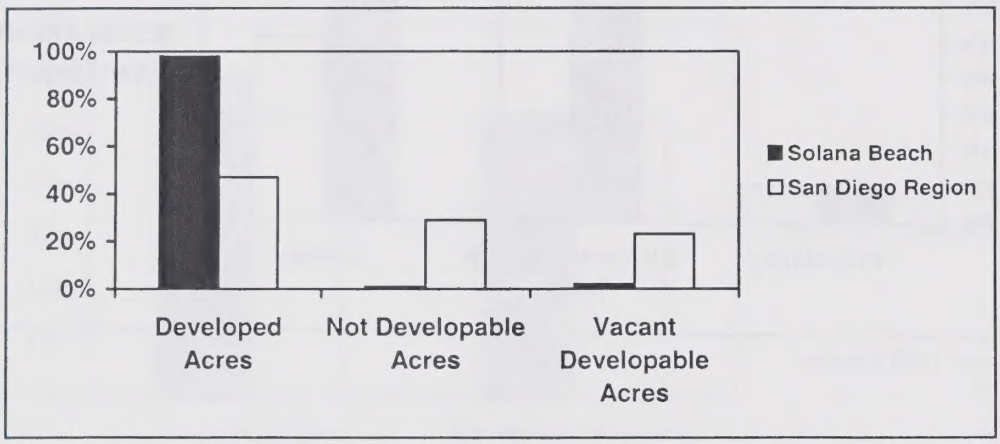


Source: 1990 Census

Land Use Characteristics

In 1995, the majority (97.6 percent) of land in Solana Beach was developed, as shown by Figure 13. Only 0.6 percent of the land in Solana Beach was not developable due to physical or environmental constraints such as steep slopes, flood plains, wetlands or public ownership. The remaining 1.8 percent of land (approximately 39 acres) was vacant and available for development.

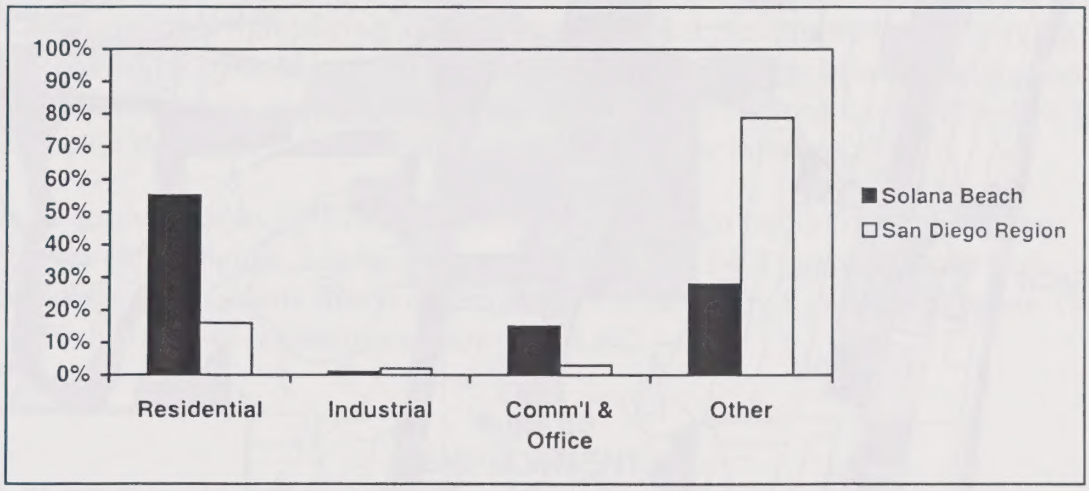
Figure 13
DEVELOPED ACRES
Solana Beach and San Diego Region, 1995



Source: SANDAG 2020 Cities/County Forecast Land Use Inputs, February 1999

Figure 14 compares development in Solana Beach to that in the San Diego region. Solana Beach has significantly more residential development than the region as a whole. In 1995, 55 percent of the developed land in Solana Beach was used for residential purposes, compared to 15 percent in the San Diego region. Solana Beach also had a higher percentage of land developed with commercial and office uses than the region.

Figure 14
GENERAL LAND USES
Solana Beach and San Diego Region, 1995

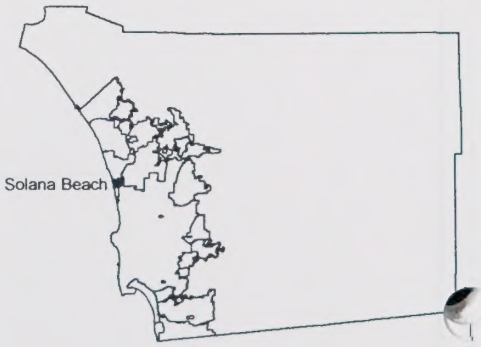


Source: SANDAG 2020 Cities/County Forecast Land Use Inputs, February 1999

City of Solana Beach

Map 6. Existing Generalized Land Use

- Residential
- Commercial/Office
- Industrial
- Other



0.5 0 0.5 Miles

Source: SANDAG 1998 Estimates
This map contains information from the San Diego Association of Governments (SANDAG) Regional Information System.
PROPRIETARY INFORMATION: The use of this information is pursuant to sublicense agreement only.
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Map Date: June 11, 1999

SourcePoint

Employment Characteristics

To achieve a better balance between jobs and housing, it is important to consider the employment characteristics of a region. In the San Diego region, employment growth out-paced population growth between 1980 and 1990. The decade recorded a gain of more than 313,400 jobs, an increase of 47.4 percent, while population increased by 629,772 people, a growth rate of 34 percent. During the recession, between 1990 and 1996, employment grew only four percent (39,800 jobs), while population grew 8.1 percent (202,021 people).[6]

Between 1990 and 1994 more low paying than high paying jobs were created in the San Diego region. High paying jobs increased by 31.4 percent while low paying jobs increased by over 43 percent. In addition, the real wages of high paying jobs have decreased seven percent, while wages in low paying jobs have decreased 15 percent over the same time period (wages adjusted for inflation).[7]

Table 13 shows that in 1995 over 1.18 million San Diego region residents were employed. Regionwide, this figure represents a small (-0.8 percent) drop from 1990. However, in Solana Beach employment increased by 8 percent between 1990 and 1995, from 8,040 residents employed to 8,662.

Table 13
EMPLOYMENT
North County Coastal Cities and San Diego Region, 1990 and 1995

Jurisdiction	1990	1995	1990-1995 Percent Change
Carlsbad	34,207	41,225	+20.5%
Del Mar	2,900	3,183	+9.8%
Encinitas	22,867	22,645	-1.0%
Oceanside	31,968	34,551	-8.1%
Solana Beach	**8,040**	**8,662**	**+7.7%**
San Diego Region	1,195,811	1,186,837	-0.8%

Source: SANDAG 1990 and 1995 Employment Inventories

[6] Source: SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update, page 56

[7] Source: SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update, page 6

Table 14 shows that between 1995 and 2020, Solana Beach is projected to gain approximately 1,034 new employment opportunities, an increase of 12 percent. This represents the lowest percentage increase in employment in the North County coastal cities. Regionwide, approximately 534,814 new employment opportunities will be generated, an increase of 45 percent.

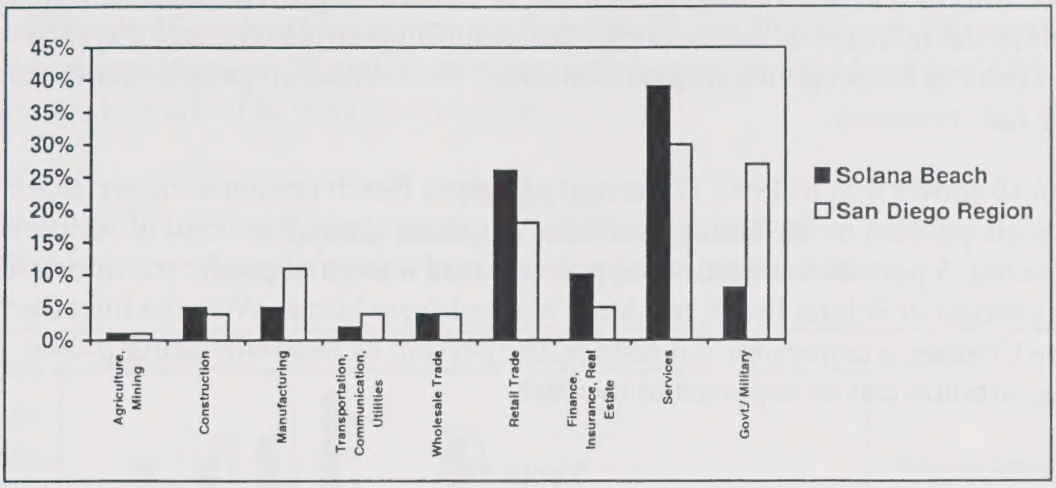
Table 14
PROJECTED CHANGE IN TOTAL EMPLOYMENT
North County Coastal Cities and San Diego Region, 1995-2020

	Total Employment					
Jurisdiction	**1995**	**2005**	**2010**	**2020**	**Number Change 1995-2020**	**Percent Change 1995-2020**
Carlsbad	41,225	69,592	73,858	86,156	44,931	109%
Del Mar	3,183	3,549	3,589	3,589	406	13%
Encinitas	22,645	27,191	27,685	27,779	5,134	23%
Oceanside	34,551	54,746	57,876	67,149	32,598	94%
Solana Beach	**8,662**	**9,179**	**9,279**	**9,696**	**1,034**	**12%**
San Diego Region	1,186,837	1,513,234	1,565,824	1,721,651	534,814	45%

Source: SANDAG 2020 Cities/County Forecast

Figure 15 shows that the majority (68 percent) of Solana Beach residents were employed either in retail trade or services. This is significant because jobs in these industries are often part-time and/or low wage opportunities. For example, in California a full-time minimum wage employee grosses approximately $997 monthly. The maximum housing cost for this employee is $299 for rent and utilities (30 percent of monthly gross income.) In Solana Beach, the average rent for a one bedroom apartment is $650. Therefore, the City's minimum wage employees must either find housing elsewhere or pay the majority of their income towards housing costs. Those working at or near minimum wage typically must pay 50 percent or more of their gross income on housing.

Figure 15
EMPLOYMENT BY INDUSTRY
Solana Beach and San Diego Region, 1995



Source: SANDAG 1990 and 1995 Employment Inventories

Table 15 shows that the largest numerical gains in employment in Solana Beach between 1995 and 2020 will occur in the retail trade, services, and "other" industries.

Table 15
PROJECTED CHANGE IN CIVILIAN EMPLOYMENT BY INDUSTRY
Solana Beach, 1995-2020

					1995-2020 Change	
Industry	1995	2005	2010	2020	Number	Percent
Manufacturing	343	346	341	337	6	1.7%
Transp., Comm. & Utilities	172	181	182	188	16	9.3%
Wholesale Trade	270	293	298	315	45	16.7%
Retail Trade	1,969	2,045	2,062	2,135	166	8.4%
Finance, Ins. & Real Estate	772	806	820	871	99	12.8%
Services	2,956	3,106	3,141	3,301	345	11.7%
Government	591	630	643	673	82	13.9%
Other[1]	1,589	1,772	1,792	1,876	287	18.1%
Total Civilian Employment	8,662	9,179	9,279	9,696	1,034	11.9%

1. Employment in agriculture, mining, and construction industries, and self-employed and domestic workers.

Source: SANDAG 2020 Cities/County Forecast, February 1999

Commuting Patterns

Commuting patterns demonstrate the relation of housing to employment opportunities and are a component in the allocation of growth to localities. As a result of the increase in the economic base, employment levels, and physical separation of housing and employment sites, the number of people commuting to work has increased.

Table 16 shows that in 1990, 77 percent of Solana Beach residents drove alone to work, six percent more than regionwide. Approximately 9 percent of residents carpooled, 5 percent walked, and 3 percent used a form of public transportation. Five percent of Solana Beach residents worked from home. With the introduction of the Coaster, a commuter rail service, the percent of residents using public transportation can be expected to increase.

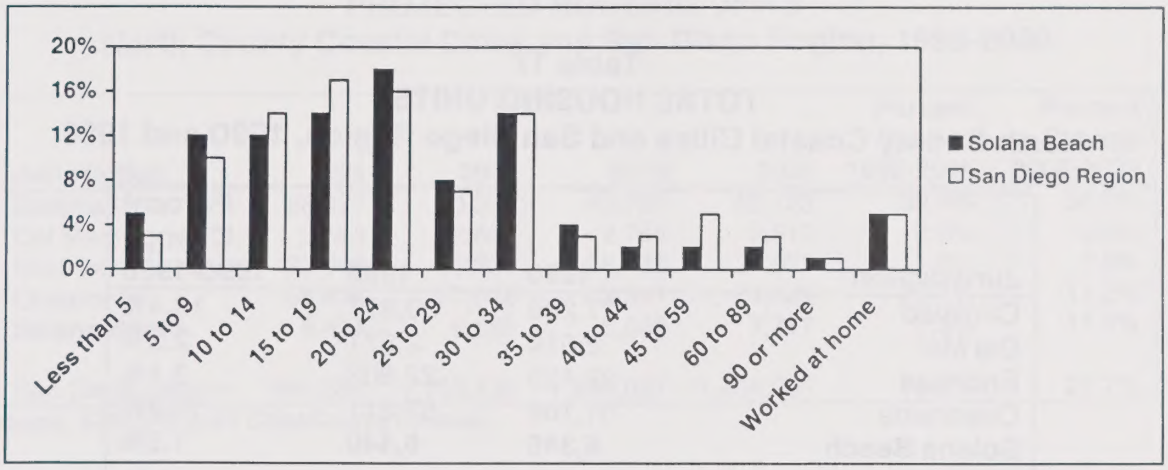
Table 16
MEANS OF TRANSPORTATION TO WORK
Solana Beach and San Diego Region, 1990

	Solana Beach		San Diego Region	
Means of Transportation	#of Workers 16+	% of Total	#of Workers 16+	% of Total
Car, Truck, or Van				
Drove Alone	5,573	77%	872,325	71%
Carpooled	665	9%	169,326	14%
Public Transportation	192	3%	40,378	3%
Motorcycle	14	0%	8,309	1%
Bicycle	80	1%	10,785	1%
Walked	357	5%	55,749	5%
Other means	25	0%	12,289	1%
Worked at home	360	5%	61,285	5%
Total	7,266		1,230,446	

Source: 1990 Census

Figure 16 shows the average travel time for workers age 16 and over in Solana Beach and the San Diego region in 1990. Average travel times for Solana Beach residents did not vary greatly from those in the region as a whole. Approximately 44 percent of Solana Beach residents had travel times to work under 20 minutes. An additional 25 percent had commutes between 20 and 29 minutes, 18 percent had commutes between 30 and 39 minutes, and the remaining 13 percent had commutes to work of 40 minutes or longer.

Figure 16
TRAVEL TIME TO WORK (MINUTES)
Solana Beach and San Diego Region, 1990



Source: 1990 Census

Housing Stock Characteristics

In 1998, the City of Solana Beach had a housing stock of 6,440 units, as shown in Table 18. This is the second lowest number of housing units in the San Diego region. Compared with the other North County coastal cities, Solana Beach had the lowest rate of growth in its housing stock between 1990 and 1998. However, when compared to the 1980's, the number of housing units added decreased greatly in all areas. This can be partially attributed to both the recession and the increase in the number of construction defect lawsuits, which may have slowed housing development. Solana Beach's slow growth can also be attributed to its lack of vacant developable land.

Table 17
TOTAL HOUSING UNITS
North County Coastal Cities and San Diego Region, 1990 and 1998

Jurisdiction	1990	1998	Percent Change 1990-1998
Carlsbad	27,235	30,877	13.4%
Del Mar	2,514	2,571	2.3%
Encinitas	22,123	22,803	3.1%
Oceanside	51,109	57,211	11.9%
Solana Beach	**6,346**	**6,440**	**1.5%**
San Diego Region	946,240	1,014,859	7.3%

Source: SANDAG 1998 Demographic and Economic Estimates

Projected Housing Units

Table 18 shows that between 1995 and 2005, Solana Beach will gain approximately 158 housing units, an increase of 3 percent. Regionwide, approximately 16 percent more units will be added to the housing stock. Between 2005 and 2020 Solana Beach will gain approximately 732 new housing units, an increase of 11 percent. Approximately 22 percent more units will be added in the region. Of the North County coastal cities, only Del Mar and Encinitas will have a slower rate of housing growth than the region between 2005 and 2020.

Table 18
PROJECTED HOUSING UNITS
North County Coastal Cities and San Diego Region, 1995-2020

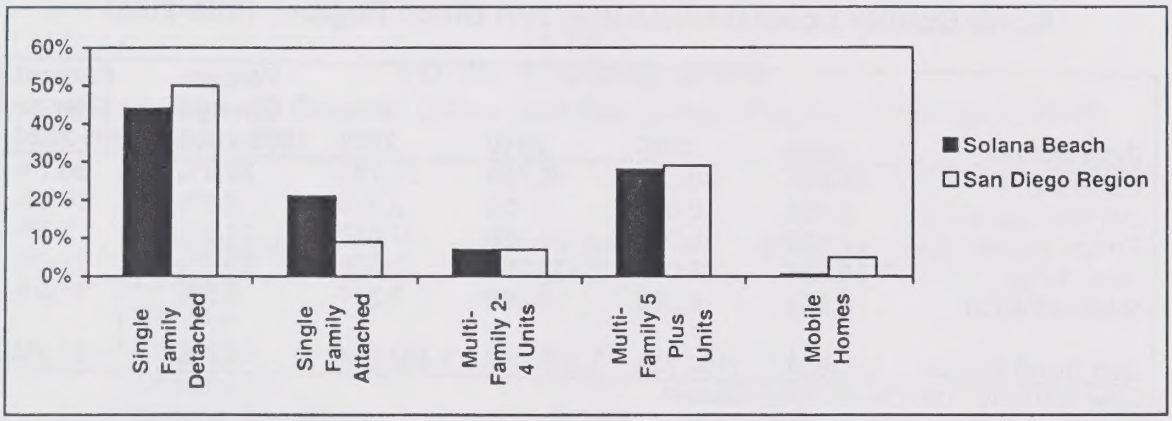
Jurisdiction	1995	2005	2010	2020	Percent Change 1995-2005	Percent Change 2005-2020
Carlsbad	28,927	40,337	45,789	55,123	39.4%	36.7%
Del Mar	2,563	2,627	2,754	2,913	2.5%	10.9%
Encinitas	22,600	25,227	26,185	27,057	11.6%	7.3%
Oceanside	55,836	67,048	72,351	74,529	20.1%	11.2%
Solana Beach	**6,427**	**6,585**	**6,860**	**7,317**	**2.5%**	**11.2%**
San Diego Region	996,684	1,153,736	1,245,057	1,404,231	15.8%	21.7%

Source: SANDAG 2020 Cities/County Forecast

Housing Type

Figure 17 shows that in 1998, the largest percentage (44 percent) of housing units in Solana Beach were single family detached units. Approximately 21 percent were single family attached units, 7 percent were multi-family with 2-4 units, 28 percent were multi-family with 5 or more units, and 0.5 percent were mobile homes/trailers.

Figure 17
TYPE OF HOUSING UNITS
Solana Beach and San Diego Region, 1998



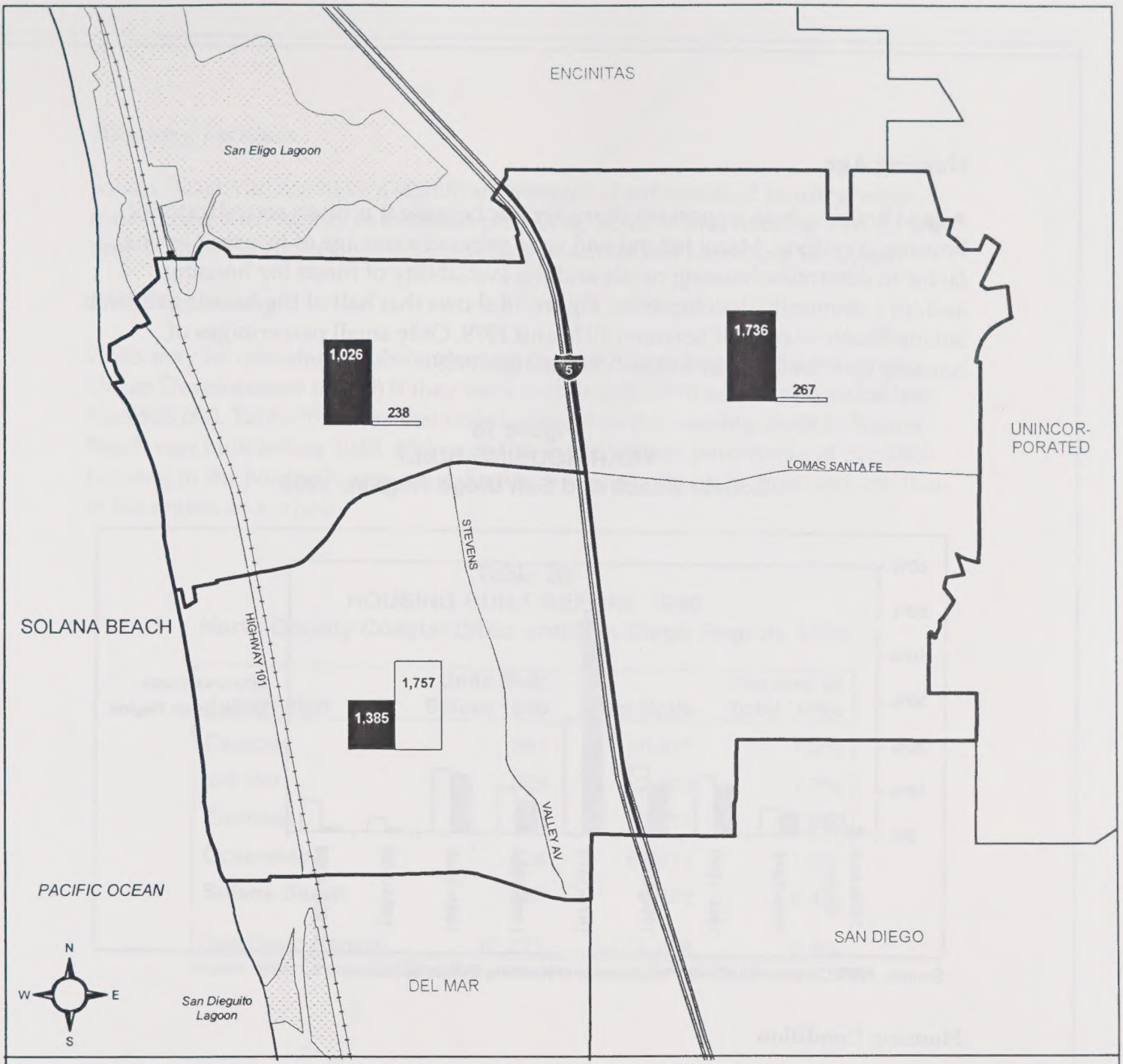
Source: SANDAG Population and Housing Estimates, January 1, 1998

Table 19 shows that the percentage of single family housing units in Solana Beach is projected to gradually decrease, while the percentage of multi-family housing units gradually increases. This trend, which mirrors regional trends, will occur in response to limited land availability for single family homes and a continuing demand for housing.

Table 19
PROJECTED HOUSING UNIT TYPE
Solana Beach, 1998-2020

Housing Type	1998	% of Total Hsg.	2005	% of Total Hsg.	2010	% of Total Hsg.	2020	% of Total Hsg.
Single-Family	4,147	64.4%	4,224	64.1%	4,248	61.9%	4,247	58.0%
Multi-Family	2,262	35.1%	2,330	35.4%	2,581	37.6%	3,037	41.5%
Mobile Homes	31	0.5%	31	0.5%	31	0.5%	33	0.5%
Total Housing	6,440	100%	6,585	100%	6,860	100%	7,317	100%

Source: SANDAG 2020 Cities/County Forecast



City of Solana Beach

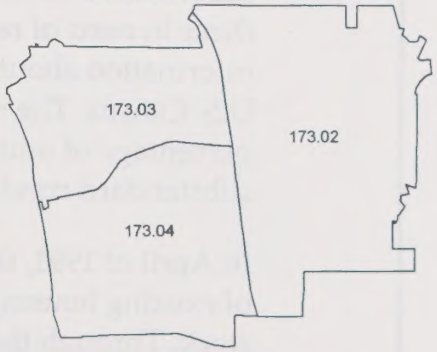
Map 7. Housing Type by Census Tract

Single-Family Housing Units

Multi-Family Housing Units

0.5 0 0.5 Miles

Solana Beach 1990 Census Tracts



Source: SANDAG 1998 Estimates.
This map contains information from the San Diego Association of Governments (SANDAG) Regional Information System.
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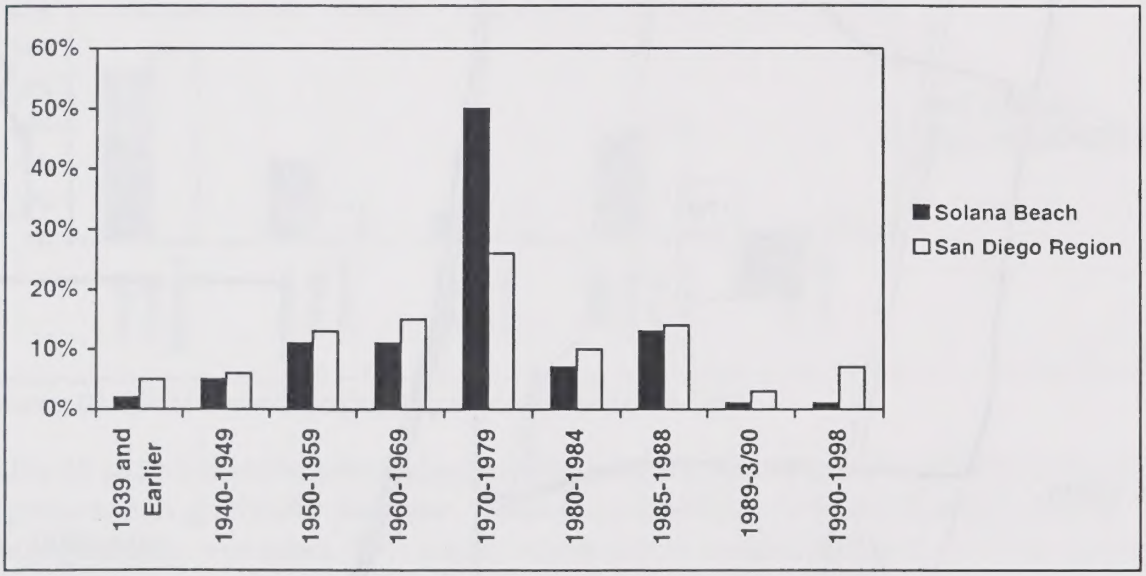
Map Date: June 11, 1999

SourcePoint

Housing Age

Age of housing is an important characteristic because it is often an indicator of housing condition. Many federal and state programs use age of housing as one factor to determine housing needs and the availability of funds for housing and/or community development. Figure 18 shows that half of the housing units in Solana Beach were built between 1970 and 1979. Only small percentages of housing were built either before 1950 or after 1989.

Figure 18
YEAR HOUSING BUILT
Solana Beach and San Diego Region, 1998



Source: 1990 Census, SANDAG Population and Housing Estimates, January 1, 1998

Housing Condition

Housing condition, or more specifically housing that has been identified as substandard, is an indicator of housing need. Substandard housing units include those in need of repair and those in need of replacement. The primary source of information about the number of substandard units within a jurisdiction is the U.S. Census. The census includes data on units lacking plumbing facilities or the percentage of units built before 1940 (although these are not always indicators of substandard conditions).

In April of 1991, the City of Solana Beach conducted a field reconnaissance survey of existing housing in Solana Beach to determine the condition of the housing stock. Through this survey it was determined that 25 units were in need of rehabilitation and 5 units needed replacement.

Plumbing Facilities

Solana Beach did not have a significant amount of substandard housing when considering such factors as available plumbing facilities and housing age. At the time of the 1990 census, no units in Solana Beach lacked plumbing facilities.[8]

Pre-1940 Housing

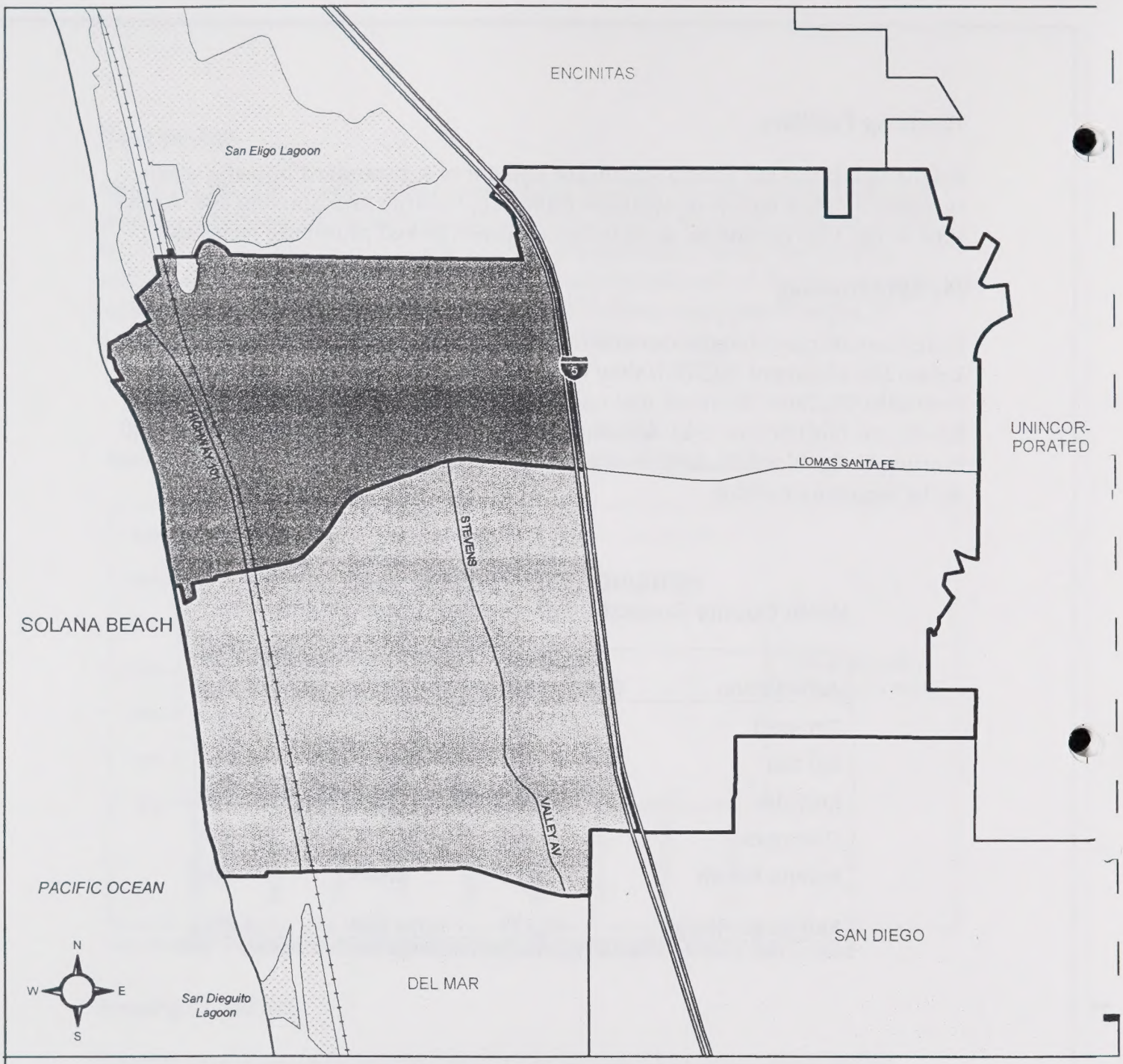
Units may be considered substandard by the U.S. Department of Housing and Urban Development (HUD) if they were built before 1940 and have a value less than $35,000. Table 20 shows that only 2 percent of the housing stock in Solana Beach was built before 1940. Although this is the highest percentage of pre-1940 housing in the North County coastal cities, it is approximately 3 percent less than in the region as a whole.

Table 20
HOUSING BUILT BEFORE 1940
North County Coastal Cities and San Diego Region, 1998

Jurisdiction	Units Built Before 1940	Total Units	Percent of Total Units
Carlsbad	361	30,877	1.2%
Del Mar	225	22,803	1.0%
Encinitas	490	2,571	1.6%
Oceanside	929	57,211	1.6%
Solana Beach	**157**	**6,440**	**2.4%**
San Diego Region	52,271	1,014,859	5.2%

Source: 1990 Census, SANDAG Population and Housing Estimates, January 1, 1998

[8] Source: 1990 Census



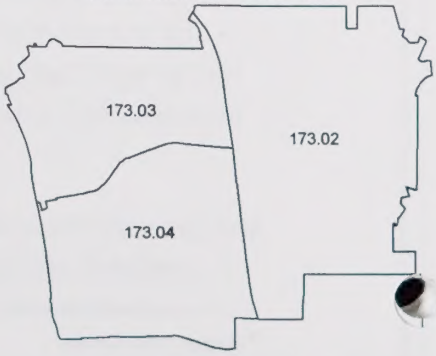
City of Solana Beach

Map 8. Percent Pre-1940 Housing by Census Tract

- 1%
- 2%
- 6%

0.5 0 0.5 Miles

Solana Beach 1990 Census Tracts



Source: SANDAG, 1990 Census.
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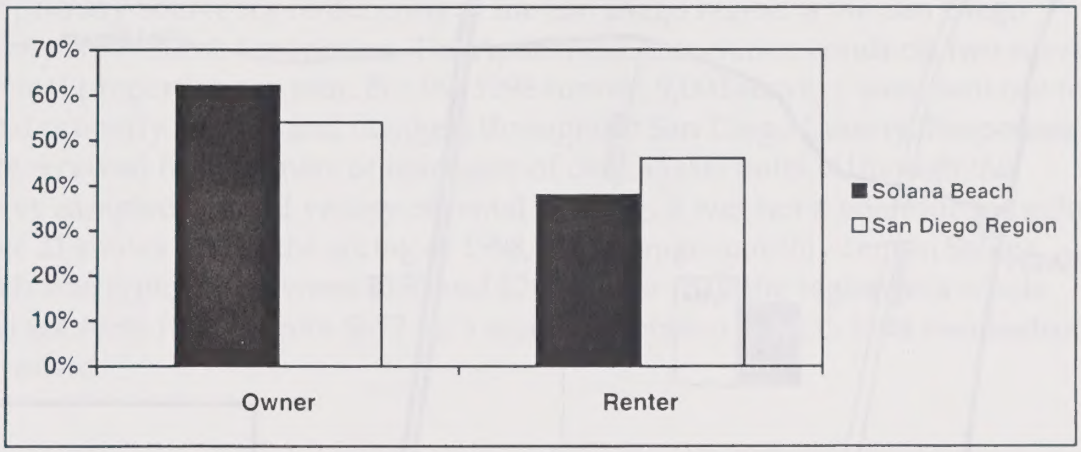
Map Date: June 11, 1999

SourcePoint

Housing Tenure

Tenure is an important market characteristic because it is directly related to housing types and turnover rates. Figure 19 shows that in 1990, the majority (over 60 percent) of households in Solana Beach owned their own homes, compared to 54 percent regionwide.

Figure 19
TENURE
Solana Beach and San Diego Region, 1990



Source: 1990 Census

ENCINITAS

San Eligo Lagoon

704 464

1,628 219

5

UNINCOR-
PORATED

LOMAS SANTA FE

STEVENS

SOLANA BEACH

HIGHWAY 101

1,414

1,066

VALLEY AV

PACIFIC OCEAN

SAN DIEGO

N
W E
S

San Dieguito
Lagoon

DEL MAR

City of Solana Beach

Solana Beach 1990 Census Tracts

173.03

173.02

173.04

Map 9. Tenure by Census Tract

Owner Occupied

Renter Occupied

0.5 0 0.5 Miles

Source: SANDAG 1998 Estimates
This map contains information from the San Diego Association of Governments (SANDAG) Regional Information System.
PROPRIETARY INFORMATION: The use of this information is pursuant to sublicense agreement only.
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Map Date: June 11, 1999

SourcePoint

Housing Costs

Housing costs are indicative of housing accessibility to all economic segments of the community. Typically, if housing supply exceeds housing demand, housing costs will fall. If housing demand exceeds housing supply, housing costs will rise. In Solana Beach, housing costs tend to be higher than in the San Diego region. The high cost of housing can be attributed to factors such as higher land costs, coastal location, and a limited housing supply.

Renter Costs

The primary source for renter costs in the San Diego region is the San Diego County Apartment Association. The Apartment Association conducts two surveys of rental properties per year. For the 1998 survey, 9,000 surveys were sent out to rental property owners and mangers throughout San Diego County. Responses were received from owners or managers of over 45,000 units. Although this survey sampled a broad variety of rental housing, it was not a scientific sampling. Table 21 shows that in the spring of 1998, the average monthly rent in Solana Beach was typically between $150 and $200 higher than the region as a whole. Average rents ranged from $652 for a studio apartment to $835 for a two-bedroom apartment.

Table 21
AVERAGE MONTHLY RENT
North County Coastal Cities and San Diego Region, 1998

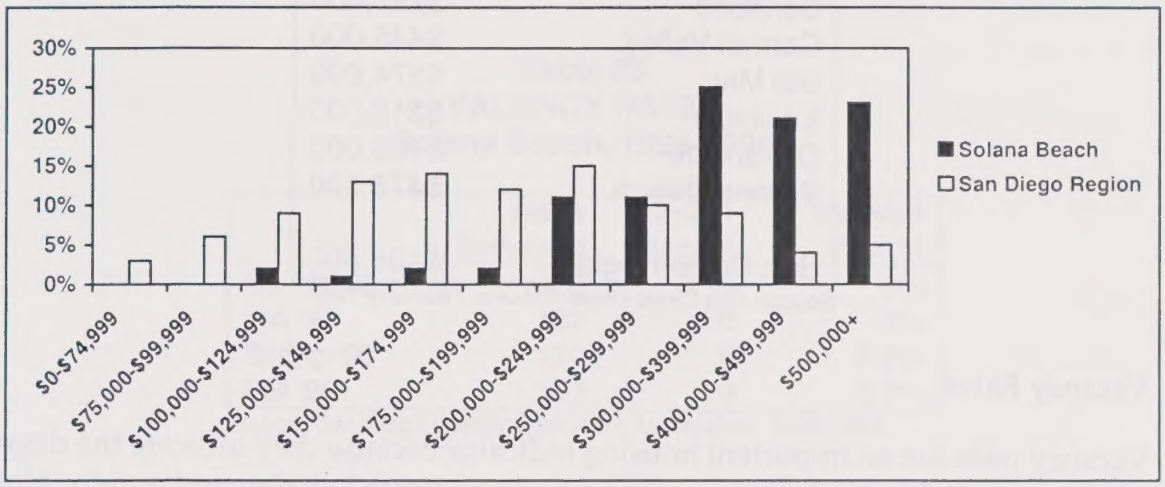
Jurisdiction	Unit Size	Spring 1998	Fall 1997
Carlsbad	Studio	$480	$643
	1 Bdrm.	$618	$651
	2 Bdrm.	$781	$791
	3 Bdrm.	$2,500	$1,330
Del Mar	Studio	n/a	n/a
	1 Bdrm.	$861	$585
	2 Bdrm.	$1,082	$1,067
	3 Bdrm.	$1,150	$1,089
Encinitas	Studio	$508	$450
	1 Bdrm.	$641	$544
	2 Bdrm.	$762	$729
	3 Bdrm.	$1,060	$917
Oceanside	Studio	$466	$378
	1 Bdrm.	$566	$552
	2 Bdrm.	$697	$674
	3 Bdrm.	$889	$824
Solana Beach	**Studio**	**$652**	**n/a**
	1 Bdrm.	**$720**	**$625**
	2 Bdrm.	**$835**	**$827**
	3 Bdrm.	**n/a**	**n/a**
San Diego Region	Studio	$448	$465
	1 Bdrm.	$543	$535
	2 Bdrm.	$685	$676
	3 Bdrm.	$916	$878

Source: San Diego County Apartment Association, 1998

Owner Costs

Figure 20 shows that the majority of owner-occupied housing in Solana Beach had values of over $300,000 in 1990. A very small percentage of owner-occupied housing had values below $200,000.

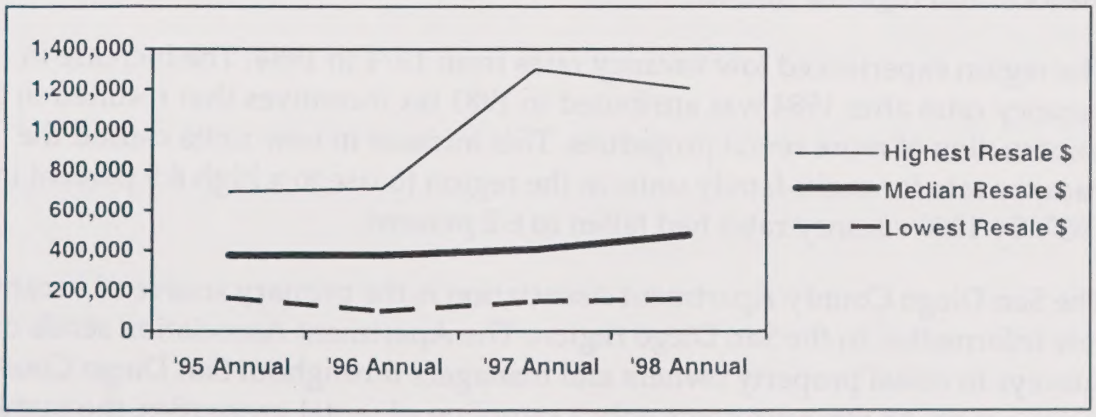
Figure 20
OWNER-OCCUPIED HOUSING VALUE
Solana Beach and San Diego Region, 1990



Source: 1990 Census

Figure 21 shows that the median housing price in Solana Beach has been slowly rising since 1995. The annual median resale housing price in 1997 was $407,500, a 7 percent increase from 1996, and an 8 percent increase from 1995. As of August 1998, the median price for a resale home in Solana Beach was $455,200, a 12 percent increase from 1997.

Figure 21
HOME RESALES
Solana Beach, 1995-1998



Source: San Diego Union Tribune, February 1999

Table 22 shows that in 1998, Solana Beach had the second highest median cost of resale homes in the North County Coastal region of San Diego. The median cost of $478,500 was $283,000 higher than the regional median cost of $195,500.

Table 22
MEDIAN COST OF RESALE HOMES
North County Coastal Cities and San Diego Region, 1998

Jurisdiction	Median Cost
Carlsbad	$285,000
Carmel Valley	$445,000
Del Mar	$574,000
Encinitas	$312,000
Oceanside	$168,000
Solana Beach	**$478,500**
San Diego Region	$195,500

Source: San Diego Union Tribune, February 1999

Vacancy Rates

Vacancy rates are an important housing indicator because they indicate the degree of choice available. High vacancy rates usually indicate low demand and/or high supply conditions in the housing market. Too high of a vacancy rate can be difficult for owners trying to sell or rent. Low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. Too low of a vacancy rate can force prices up making it more difficult for low and moderate income households to find housing. Vacancy rates between two to three percent are usually considered healthy for single family housing; and five to six percent for multi-family housing. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market.

The region experienced low vacancy rates from 1974 to 1984. The increase in vacancy rates after 1984 was attributed to 1981 tax incentives that resulted in the construction of more rental properties. This increase in new units caused the vacancy rate for multi-family units in the region to rise to a high 8.9 percent in 1987. By 1990 vacancy rates had fallen to 6.2 percent.

The San Diego County Apartment Association is the primary source of vacancy rate information in the San Diego region. The Apartment Association sends out surveys to rental property owners and managers throughout San Diego County twice a year. As this represents only a sampling of rental properties, the numbers

do not represent the entire housing stock, but they assist in analyzing vacancy trends throughout the region.

Table 23 shows that of the 133 units surveyed in Solana Beach in 1998, there were no vacancies. The Apartment Association also recorded no vacancies for the fall of 1997. These extremely low vacancy rates are indicative of both the high demand and low supply conditions for rental housing in Solana Beach. Regionwide, vacancy rates were also low. The Apartment Association estimates that the regionwide vacancy rate for multi-family rental housing was about 3.4 percent in the spring of 1998.

Table 23
VACANCY RATES
Solana Beach, 1996-1998

	Units Surveyed	Number Vacant	Percent Vacant
Spring '98	133	0	0%
Fall '97	132	0	0%
Spring '96	170	9	5.2%
Fall '96	393	6	3.3%

Source: San Diego County Apartment Association, 1996-1998

Existing Affordable Housing Developments

There are several affordable housing developments in the City of Solana Beach. Table 24 lists those projects that are regulated by a government agency. Some of these units were built to satisfy inclusionary housing requirements. Others were the result of density bonus agreements or Coastal Commission requirements. In addition to developments monitored by governmental agencies, many potentially affordable units exist in the City that are not officially monitored or regulated, such as second dwelling units, both illegally and legally developed.

Table 24
GOVERNMENTALLY REGULATED AFFORDABLE HOUSING PROJECTS
City of Solana Beach, 1999

Name	Address	Number of Units	Monitoring Agency	Potential Date of Subsidy Termination
Del Mar Turf Club Apts.	661-781 S. Nardo Ave.	39 Low Income Units	County HCD	2011
Silverado Apartments	805 Valley Ave.	32 Low Income Sr. Units	County HCD	2000
Las Casitas De Solana	859-863 Vera St.	3 Very Low Income Units	County HCD	Units affordable in perpetuity
Solano Park Apts.	679&691 Valley Ave.	24 Low Income Units	Coastal Commission	2001
Helix Ave.	222 Helix Ave.	1 Low Income Unit	County HCD	2019
North Rios Project	930 Via Mil Cumbres & 435 Bay Meadows Dr.	3 Low Income Units	County HCD	2029

Source: City of Solana Beach Department of Community Development

Assisted Housing Units at Risk of Converting to Market Rate Rents

Housing element law requires jurisdictions to provide an analysis and program for preserving affordability of assisted housing developments. Currently two assisted housing developments in Solana Beach are at risk of conversion to market rate housing within the 1999-2004 housing element cycle: Silverado Apartments and Solano Park Apartments.

Silverado Apartments is a 79-unit apartment complex with 32 units set aside for low income seniors. It was created through a density bonus agreement. The affordability agreement for this project is scheduled to expire in 2002.

Solano Park Apartments is a 24-unit apartment complex with all the units set aside for low income residents. This development was constructed in response to Coastal Commission requirements for housing in the coastal zone. This agreement is scheduled to expire in 2001.

Preservation Cost Analysis

High land costs and low housing supply conditions make the development of new affordable housing in Solana Beach very difficult. Therefore, preserving the affordability of existing units is a primary goal of the City of Solana Beach. This analysis will estimate the potential cost to the City to preserve these units through acquisition or through the purchase of an affordability covenant.

Acquisition

One method the City could utilize to retain the affordability of these units is to purchase or assist a non-profit in purchasing the units. To determine the estimated market value of these units, current data on average assessed parcel prices in Solana Beach was used. Table 25 shows that the total market value of Solano Park Apartments is about $1.5 million. The total market value of Silverado Apartments is approximately $3.5 million. However, given the current high demand for housing, and the developments' proximity to the coast, it is likely that acquisition costs would be higher than these estimates.

Table 25
ESTIMATED MARKET VALUE OF AT-RISK UNITS
Solana Beach, 1999

Project	# of Units	Estimated Market Value/ Unit	Estimated Acquisition Cost
Solano Park Apts.	24	$61,100[1]	$1,466,400
Silverado Apts.	79	$44,616[2]	$3,524,664

1. Based on average assessed unit value for multi-family with 16 to 60 units in Solana Beach
2. Based on average assessed unit value for multi-family with 61 or more units in Solana Beach

Source: Calculated using County of San Diego Assessors Office data, 1999

Purchase of Affordability Covenant

Another option for the City is to purchase an affordability covenant for the assisted units. For this example, only the Silverado Apartments are used, as information on rental rates at Solano Park Apartments was not available. Table 26 uses 1999 rents at the Silverado Apartments to determine the cost to the City to provide rental subsidies. Using this information, it would cost the City approximately $19,200 annually to preserve the affordability of these units. Given a term of affordability of 40 years, the total subsidy would be $768,000, significantly less than the cost of acquiring the entire development. However, this estimate does not account for the potential of rising market rents, which would cause the affordability gap to increase.

Given the cost savings of providing rental subsidies, and the importance of preserving existing affordable units, the City of Solana Beach will explore the option of purchasing affordability covenants for one or both of these developments. Subsidy payments would be made annually, and would be funded through in-lieu fees and the City's general fund.

Table 26
ESTIMATED COST OF RENT SUBSIDIES
Solana Beach, 1999

Development	# of Assisted Units	Market Rent	Assisted Rent	Affordability Gap/Unit	Total Gap/Month	Annual Subsidy Required
Silverado Apts.	32	$625[1]	$575	$50	$1,600	$19,200

1. Market rate rent for a one bedroom senior apartment in the Silverado Apts.

CHAPTER 3
CONSTRAINTS TO THE PROVISION OF HOUSING

Constraints to the Provision of Housing

Actual or potential constraints to the provision and cost of housing affect the development of new housing and the maintenance of existing units for all income levels. Governmental and non-governmental constraints are discussed below.

Governmental Constraints

Governmental constraints can limit the operations of the public, private, and non-profit sectors, making it difficult to meet the demand for affordable housing and limiting supply in a region. Governmental constraints include growth management measures, inclusionary zoning, land use controls, building codes, processing fees, and site improvement costs.

Land Use Controls

Land use controls take a number of forms that affect the development of residential units. The General Plan, a comprehensive, long-range and general policy statement, establishes the overall character and development of the community. The City's General Plan identifies a range of residential land use categories. The plan provisions do not constrain the opportunity for a broad range of housing types and densities.

Zoning ordinances directly shape the form and intensity of residential development by providing controls over land use, heights and volumes of buildings, and open space on a site. Residential zoning categories in Solana Beach cover a wide spectrum, including the following categories:

1. Estate – ER (0-2 DU/Acre)
2. Low Density – LR (3 DU/Acre)
3. Low-Medium Density – LMR (4 DU/Acre)
4. Medium Density – MR (5-7 DU/Acre)
5. Medium-High Density – MHR (8-12 DU/Acre)
6. High Density – HR (13-20 DU/Acre)

Table 27 provides a summary of the City of Solana Beach's residential land use controls.

Table 27
SUMMARY OF LAND USE CONTROLS
Solana Beach, 1996

	Minimum Lot Dimensions						Setbacks			
Residential Zone	DUs/ acre	Minimum Area (sq ft)	Street Frontage	Width (interior)	Width (corner)	Depth	Front Setback	Side Setback	Rear Setback	Parking Requirements
ER	1-2	20,000 (ER-1); 40,000 (ER-2)	100' (ER-1); 80' (ER-2)	100' (ER-1); 80' (ER-2)	105' (ER-1); 85' (ER-2)	150' (ER-1); 150' (ER-2)	25-35'	5-15'	25-40'	2 spaces
LR	3	14,000	65'	65'	70'	100'	25'	5'	25'	2 spaces
LMR	4	10,000	60'	60'	65'	100'	25'	5'	25'	2 spaces
MR	5-7	E of 101 – 6,000 W of 101 – 5,000	E of 101 – 60' W of 101 – 50'	E of 101 – 60' W of 101 – 50'	E of 101 – 65' W of 101 – 55'	E of 101 – 100' W of 101 – 100'	25'	5'	25'	2 spaces
MHR	8-12	5,000	50'	50'	55'	100'	25'	5'	25'	Studio: 1 space 1 bdrm: 1.5 spaces 2+ bdrm: 2 spaces +1 guest space per 4 units
HR	13-20	10,000	60'	60'	65'	100'	25'	5'	25'	Studio: 1 space 1 bdrm: 1.5 spaces 2+ bdrm: 2 spaces +1 guest space per 4 units

Source: City of Solana Beach, Official Zoning Ordinance, 1996

In addition to the residential zoning categories listed above, the City's General Plan and Zoning Ordinance provide opportunities for the integration of residential uses in traditionally commercial areas. The City's zoning ordinance states that "Residential development shall be permitted as mixed-use with other permitted or conditionally permitted development. The provision of residential development with commercial development shall be encouraged in a mixed-use integrated development."

Accessory living units are also permitted in the City of Solana Beach subject to certain conditions: (1) the detached unit shall exist on the lot, (2) minimum of 6,000 square feet lot on which accessory living unit is proposed upon, (3) minimum allowed area of the accessory living unit is 350 square feet, maximum allowed area of the accessory living unit is 640 square feet, and (4) the occupancy of the accessory living unit is limited to a maximum of two persons, with at least one person being a member of the primary occupant's family, or 60 years of age or older, or handicapped. However, Chapter 7 includes a program to remove these rental restrictions to promote increased development of accessory units.

Residential projects are reviewed for compliance with all of the City's General Plan Elements and zoning ordinance, which is a standard process required under state law. The review process ensures that the goals, policies, and purposes of the general plan elements and zoning ordinance are carried out in the physical plan of a residential development. This review includes density, height, setbacks, open space, infrastructure, and other improvements to promote harmonious and workable relationships among land uses in accordance with the planned long-term build-out of community areas. The City's project review process, which uses the state mandated land use tools of general plan elements and zoning ordinance, does not create impediments or onerous governmental constraints upon residential development.

Building Codes and Enforcement

The City of Solana Beach adopted and enforces the Uniform Building Code, which ensures that all housing units are built to specified standards. The code is determined by the International Conference of Building Officials and the State of California. No local amendment to the code has either been initiated or approved that directly impacts housing standards or processes.

Code enforcement is conducted by the City and is based on systematic enforcement in areas of concern (e.g. Community Development Block Grant and redevelopment areas) and on a complaint basis throughout the City. The Code Enforcement Division works with property owners and renters to assist in meeting state health and safety codes.

On and Off-Site Improvements

Site improvements in the City consist of those typically associated with development for on-site improvements (fronting streets, curbs, gutters, sewer/water, and sidewalks), and off-site improvements (drainage, parks, traffic, schools, and sewer/water). These improvements add to the cost of housing, but are costs associated with the provision services necessary for the health and safety of the public.

Processing and Permit Procedures

The processing time for permits varies in the City of Solana Beach, based upon the scope and type of project and the applicant's compliance with the City's ordinances and completeness of the applications. Certain types of applications/permits are discretionary and require a public hearing, while others are processed administratively. For a description of projects requiring discretionary approval, see Appendix C. On average, permit processing for discretionary projects takes between two and four months. Through administrative approval, the applicant by-passes the public hearing requirement and shortens the processing time to a period between several days to two or three weeks.

Projects that take a longer time to secure final approval generally have significant environmental impacts or involve general plan amendments, or rezonings. The developers may be responsible for delays by failing to provide information or requesting continuances. Permit approval under these circumstances requires more time for public notice, public hearings, and negotiation of design modification to resolve problems.

The general process for obtaining a building permit in Solana Beach is as follows:

1. The applicant must bring three complete sets of Building plans to the Planning Department and fill out a Routing Checklist. The Planning, Engineering, Fire, and Code Enforcement Departments will each review the plans for compliance with both the City's Municipal Code and applicable State laws.

2. After the plans are approved by the Fire Department, the applicant will receive a call to pick up the plans and pay any required Fire Plan Check Fees and Fire Mitigation Fees at the Solana Beach Fire Station.

3. The applicant then takes the plans along with a Routing Slip to the City of Solana Beach Building Department. At this time the applicant pays a plan check fee. The Building Department reviews plans to insure compliance with the California Building Code.

4. After the initial correction list is completed, the Building Department plan check process may include subsequent rechecks until the revised plans are determined to meet all California Building Codes. The final sets of plans must then be resubmitted to the City of Solana Beach for a "Re-Stamp." This Re-Stamp is required to follow the same process as the initial submittal. Generally, the Re-Stamp proceeds more quickly than the initial review. Usually the same staff member who initially reviewed the plans also reviews the subsequent Re-Stamp. This Re-Stamp submittal must also be accompanied by a copy of the signed Building Checklist.

Fees and Exactions

Within the San Diego region, a variety of fees are charged to new developments. These fees include, but are not limited to, development impact fees, permit issuance fees, engineering and public works fees, and subdivision processing fees. Each of these fees is used to pay for the necessary local infrastructure needed to support the development and to cover the cost of processing the permits.

Development Impact Fees

Regionally, development impact fees are often charged for a variety of public facilities, including utilities, transportation improvements, open space, fire stations, and libraries. Development impact fees enable local government to shift at least part of the capital-financing burden to new development, and to synchronize new development with the installation of these new public facilities.

According to SANDAG's 1998 Development Impact Fee Survey, the City of Solana Beach ranked 8th out of the 18 cities and the County of San Diego in average total residential development impact fees, as shown in Table 28. Since fee values vary between, and sometimes within jurisdictions, a method was needed to compare fees across jurisdictions. To accomplish this task, prototypical structures were created for residential development. For each of these prototypical structures, existing fee levels by individual jurisdictions were applied.

The prototypical structure for residential development was based on a three-bedroom, two-bath single family detached home with a 2,000 square foot living area, 400 square foot garage, and a 240 square foot patio. The construction was Type V, wood frame construction with a valuation based on $172,880 for the City of Solana Beach.

Table 28
RESIDENTIAL DEVELOPMENT IMPACT FEES* AS LEVIED BY JURISDICTION, PER PROTOTYPE
San Diego Region, 1998

Jurisdiction	Fees
Carlsbad	$23,498
Chula Vista	$21,802
Escondido	$20,492
Santee	$19,853
San Marcos	$18,282
Poway	$17,007
Encinitas	$16,098
Solana Beach	**$15,905**
Oceanside	$15,358
Vista	$14,492
Coronado	$14,239
County of San Diego	$13,831
City of San Diego	$13,618
Imperial Beach	$12,800
El Cajon	$11,613
National City	$9,238
La Mesa	$8,341
Del Mar	$6,947
Lemon Grove	$5,049

*Impact fees include fees collected by non-city agencies (water & sewer district fees, and school district fees)

Source: SANDAG 1998 Development Impact Fee Survey

Permit Issuance Fees

Permit issuance fees are used to support a variety of functions including checking submitted plans, paying local facilities management fees, special road assessments, and public service related fees for other agencies such as school districts, water districts, and utility providers. Table 29 shows permit issuance fees for prototype homes in Solana Beach and the other North County coastal cities from a survey conducted by the Building Industry Association of San Diego County (BIA). Permit fees are based on a 3 bedroom, 2 bath single family detached residential dwelling unit with 2,000 square feet of living area, a 400 square foot garage, 240 square foot patio (cover and walls); fireplace; gas and electric hookups; type V, wood frame construction. This survey provides an overview of development related fees charged by land-use agencies in the San Diego region. Although the survey relies on information from local jurisdictions, the BIA cautions against comparing fee levels by jurisdiction, since methodology, approaches, assumptions, and levels of service may have varied widely.

Permit issuance fees in Solana Beach are very similar to those in the other North Coastal Cities. In both Solana Beach and Encinitas, the average permit issuance fee for the prototype home was $2,256.

Table 29
PERMIT ISSUANCE FEES: PROTOTYPE HOME
North County Coastal Cities, 1999

	Carlsbad	Encinitas	Oceanside	Solana Beach
Valuation	**$174,490**	**$168,880**	**$182,425**	**$168,880**
Valuation Year	**1995-96**	**1998**	**1995-96**	**1997**
Permit Fees				
Plan Check	$575	$797[1]	$665	$797
Building Permit	$884	$1,226	$1,187	$1,226
MPE Permits	$198	$216	incl	$216
Energy	—	incl	$93	incl
Seismic	$17	$17	$18	$17
Total	$1,674	$2,256	$1,963	$2,256

1. Add $100 for Plan. Dept. plan check

Source: Building Industry Association, 1998-1999 Fee Survey, San Diego County

Engineering and Public Works Fees

Like permit issuance fees, engineering and public works fees are used to support a variety of functions including checking submitted plans, paying local facilities management fees, special road assessments, and public service related fees for other agencies such as school districts, water districts, and utility providers. Table 30 shows Engineering and Public Works fees for project development in the North County coastal cities. Due to staffing limitations, the City of Solana Beach uses a private company, MSI, to review engineering and public works plans. On average, fees charged are similar to those charged by the other North County coastal cities.

Table 30
ENGINEERING AND PUBLIC WORKS FEES (PROJECT)
North County Coastal Cities, 1998-1999

	Carlsbad	Encinitas	Oceanside	Solana Beach
Grading Plan Check	• $3,950	• $700/sht (varies)	• $7,228	O Deposit+50% MSI*
Grading Permit	• $2,050	• $700/sht (varies)	• $40	O Deposit+50% MSI*
Improvement Plan Check	• $2,700	• $975/sht (varies)	• $21,540	O Deposit+50% MSI*
Improvement Inspection	• $13,900	• $47,000 (varies)	• $25,653	O Deposit+50% MSI*
Geotechnical/Soils Review	—	—	—	O Deposit+50% MSI*
Landscaping Plan Check	• $5,350	—	• $2,250	O Deposit+50% MSI*

*MSI Hourly Rate (MSI is a private firm that reviews engineering and public works plans for the City.)
• Fee, O Deposit

Source: Building Industry Association, 1998-1999 Fee Survey, San Diego County

Subdivision Processing Fees

Subdivision processing fees are used to cover the City's administrative costs incurred through the processing of subdivision applications and plans. Table 31 shows subdivision processing fees for minor subdivisions (less than 50 lots on 10 acres) in the North County coastal cities, and Table 32 shows subdivision processing fees for major subdivisions (at least 50 lots on 10 acres). As with the processing of engineering and public works applications, the City of Solana Beach uses a private contractor, MSI, to review subdivision plans. On average, fees charged are similar to those charged by the other North County coastal cities.

Table 31
SUBDIVISION PROCESSING FEES (MINOR SUBDIVISION)
North County Coastal Cities, 1998-1999

	Carlsbad	Encinitas	Oceanside	Solana Beach
Annex	—	O $1,000	—	—
Compliance	•$620	• $340	—	• $560
Design Review	•$55 minor $275 major	♦ $570 staff review, $500-1,200, Plan Dept.	—	—
Development Agreement	O$10,000 Full Cost Recovery	O Cost + 25% ovh	O $5,000	—
General Plan Amendment	• 0-5 ac=$2,550 >5ac=$3,680	O $2,400 varies by size	• $4,728-$7,406	O $1,700
Tentative Parcel Map	•$2,270	• $1,200	• $1,239+$72/unit	• $2,030
Final Map	•$2,250	• $500 Plan Dept deposit, $1,100/sht Eng Dept	• $637 + 56/lot	O $1,750+MSI*
Planned Development (PRD)	• < or = 4 units = $1,800 5-50 units = $5,000 51+ units = $7,900	O $2,000	—	• $2,240
Planned Development (PCD)	• < or = 4 units = $1,800 5-50 units = $5,000 51+ units = $7,900	O $2,000	—	O $1,500+MSI*
Rezone	• <5 ac = $2,930 >5.01 ac = $3,970	O $2,400	• $3,801-$7,600	O $1,500+MSI*
Sensitive Land/Resources	• $740 SFD, $1,610 other	—	—	—
Special Use Permit (major CUP)	•$2,400	• $2,000	• $1,828	• $2,240
Site Development Plan	• Minor = $2,670 Major = $4,590	See Design Review	—	• $2,410
Specific Plan	♦ $21,000 + $5,000 after 1st 200 hours Project Planner or 60 hours Project Engineer	• $2,000	• $3,130	O $1,500
Variance	• $1,690	See Design Review	• $369-$2,946	• $800

• Fee, O Deposit, ♦ Fee and Deposit

Source: Building Industry Association, 1998-1999 Fee Survey, San Diego County

Table 32
SUBDIVISION PROCESSING FEES (MAJOR SUBDIVISION – AT LEAST 50 LOTS ON 10 ACRES)
North County Coastal Cities, 1998-1999

	Carlsbad	Encinitas	Oceanside	Solana Beach
Tentative Map	• $9,850	O $2,000	• $10,043[2]	• $4,180
Final Map	• $4,470 + $5/acre	♦[1] $500 Plan Dept; $960/sht Eng Dep	• $3,437[3]	O 1,750 + MSI*
Environmental Initial Study	• $250, $1,030	O $1,000 cost + 450	• $1,701	• $350 max ovh
Environmental Impact Report	♦[1] $12,000 + 5,000 deposit after 1st 160 hours of Project Planner or 40 hrs Project Engineer	O Cost+ $1,000	• $2,126/issue	• Cost +15% of EZA staff costs

• Fee, O Deposit, ♦ Fee and Deposit

*MSI Hourly Rate
1. <20%=$400, >20%=$600 deposit
2. $1,943+$162/lot
3. $637+$56/lot

Source: Building Industry Association, 1998-1999 Fee Survey, San Diego County

Growth Management Measures

In 1998, the City Council placed a measure on the ballot establishing citizen approval for certain types of General Plan amendments. This measure, Proposition CC, was proposed in response to a citizen petition proposing even lower thresholds for triggering a citizen's vote than the Council proposed in Proposition CC. The ordinance, which was approved by voters in 1998, requires that future general plan amendments that meet or exceed certain traffic, acreage or project size thresholds will be subject to a citywide vote. The citizen petition requiring a lower threshold for citizen approval subsequently qualified for a vote and is presently scheduled for the November 2000 ballot. For a more detailed description of Proposition CC, see the attached ordinance in Appendix B.

Despite Proposition CC and the upcoming November ballot measure, Chapter 5 shows that the City can meet its regional share goals through existing residential land, higher density mixed-use development in its existing commercially areas and through the use of second dwelling units on existing residential land. Therefore, Proposition CC does not act as a constraint to housing production or to the dispersal of low and moderate income housing opportunities throughout the City.

Inclusionary Housing and In-Lieu Fee

The City of Solana Beach's inclusionary housing program requires that housing developers of four or more units provide a percentage of the total units in the development for very low and low income households and/or pay an in-lieu fee. The goal of the program is to increase the amount of affordable housing opportunities in the City while providing housing developers with the greatest amount of flexibility in providing these opportunities, as described below. For a more complete description of the inclusionary requirements, see Appendix A for a copy of the ordinance.

Fractional Units

When the calculation of the number of affordable housing units required for a development project results in a fractional unit, the fractional unit may be provided either through construction or other provision of affordable housing using an existing unit or by the payment of an in-lieu fee as follows:

1. The obligation to provide a fractional unit of less than 0.5, or less than 1.0 for a development project of fewer than 10 dwelling units, may be satisfied by the payment of an in-lieu fee in an amount equal to the base fee multiplied by the fraction;

2. For development projects of 10 or more dwelling units, the obligation to provide a fractional unit of 0.5 or greater shall be satisfied by the construction or provision of a whole unit.

Affordable Housing Design

When an affordable housing unit is required as a result of the City's inclusionary requirements, the unit may be constructed as a single family residential unit or may be combined with other affordable housing units constructed as a duplex, triplex, or fourplex. Affordable housing units shall be designed to be integrated into the residential style of the development project.

In-Lieu Fees

In lieu of providing an affordable housing unit for a fractional unit, a developer of a residential development project may pay a fee. The fee schedule is located in Chapter 7.

Provision of Additional Bedrooms Instead of Payment of Fees

As an alternative to the payment of fees, a credit against the fee obligation for up to 0.4 affordable units may be granted for an additional bedroom or bedrooms if the City Manager finds that the additional bedroom or bedrooms along with other attributes of the affordable unit provides an additional housing benefit substantially equivalent to the amount of the credit requested.

Affordable Housing Accessory Structures (AHAS)

As an alternative to providing the affordable housing units set aside within a single family style structure, such units may be provided as an Affordable Housing Accessory Structure (AHAS). For a description of the standards and conditions regarding AHAS, see section 17.70.035 of the ordinance attached in Appendix A.

Agreements for Construction of Housing

As an alternative to the construction of affordable housing units on-site or the payment of in-lieu fees, one or more developers may agree to construct and operate an affordable housing development on other property within the City for occupancy by low or very low income households at prices or rents affordable to such households for a period of at least 30 years. An affordable housing development may be part of a larger residential or mixed-use project. A non-profit housing developer may participate in the construction or operation of an affordable housing development.

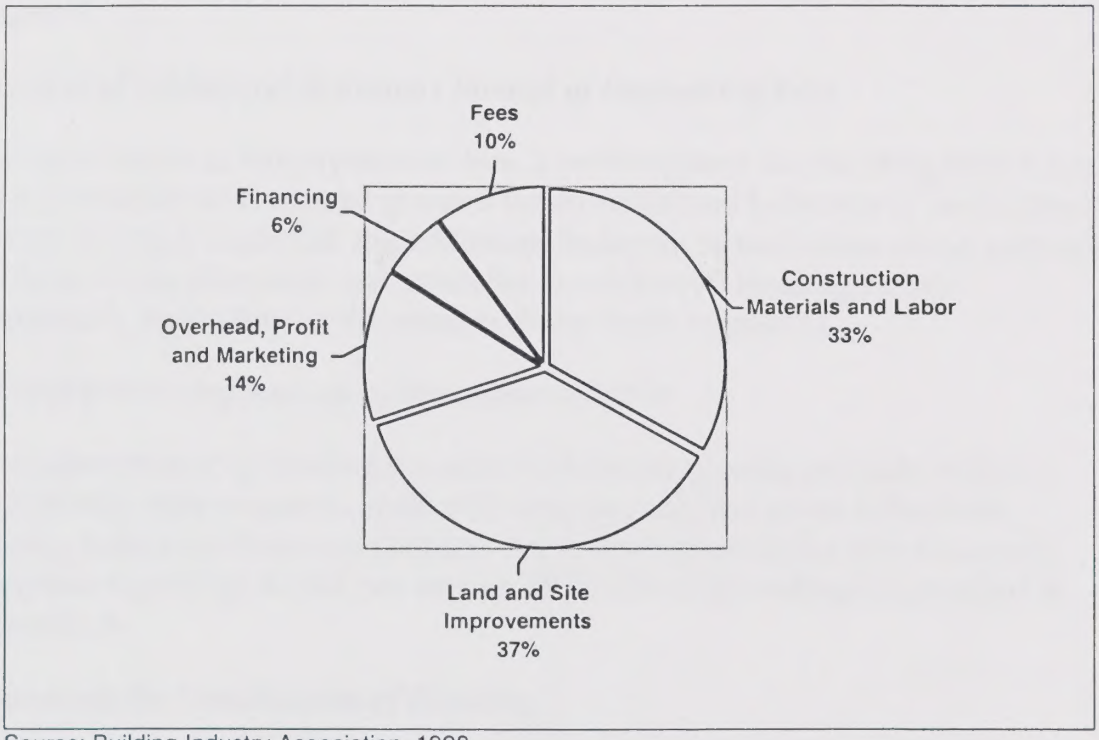
Existing Housing Stock

As an alternative to the construction of affordable housing units on-site or the payment of in-lieu fees, a developer may acquire existing housing units within the City for occupancy by very low or low income households at prices or rents affordable to such households for a period of not less than 30 years. This is intended to provide a method for the acquisition, rehabilitation and operation of affordable housing units at diverse locations throughout the City. For a description of the standards and conditions regarding the acquisition of existing housing units, see section 17.70.051 of the ordinance included in Appendix A.

Non-Governmental Constraints

A number of private sector factors contribute to the cost of housing. Figure 22 shows that in 1998, for the construction of a standard, single family home costing $215,400, construction materials and labor accounted for approximately 33 percent of the total development costs. Land and site improvement costs accounted for 37 percent of the costs; developer overhead marketing, and profit accounted for 14 percent; fees accounted for 10 percent; and financing costs accounted for 6 percent. The following is a discussion of these factors and their impact on affordable housing development.

Figure 22
COMPONENTS OF HOUSING COST
San Diego Region, 1998



Source: Building Industry Association, 1998

Land Costs

Residential land prices contribute significantly to the cost of new housing. In 1998, land and site improvement costs in the San Diego region accounted for approximately 37 percent of the total construction cost for a single family house. Land costs ranged from $65,000 to $230,000 per lot[9]

In Solana Beach, there is little vacant land upon which to base estimates of land costs. However, information does exist on parcel costs. These costs include the total assessed value of real property in the City, including the cost of the home. Table 33shows the average assessed parcel values in the City of Solana Beach in 1998. High land costs – which can be partially attributed to the City's coastal location, limited land availability and low density zoning – are a significant constraint to the development of affordable housing in the City. Future residential development potential rests primarily upon the recycling of existing sites.

Table 33
INVENTORY OF PARCELS AND VALUES
Solana Beach, 1998

Parcel Type	Parcels	Units	Assessed Values[1]	Average Value/Parcel	Average Value/Unit
Single Family	2,498	2,498	$699,088,757	$279,859	$279,859
Duplex or 2 Units	136	272	$27,307,997	$200,794	$100,397
Multi-Family, 2-4 Units	55	156	$7,935,396	$144,279	$50,868
Multi-Family, 5-15 Units	11	81	$5,408,416	$491,674	$66,770
Multi-Family 16 to 60 Units	5	142	$6,335,574	$1,267,114	$44,616
Multi-Family 61 Units+	4	542	$33,100,457	$8,275,114	$61,071
Condominium	2,499	2,501	$497,286,632	$198,994	$198,835

1. The above data represents total assessed values of real property, prior to exemptions.

Source: County of San Diego Assessors Office, 1998

Construction Costs

Construction costs are the second highest cost component of new housing. Construction costs are the total costs to developers exclusive of profit, but including fees, materials, labor and financing. In 1998, housing construction costs in the San Diego region ranged from $38 to $50 per square foot, excluding fees and land costs. Construction materials and labor, the most direct costs of residential construction, accounted for about 33 percent of total single family housing project costs. In the early 1990s, the housing market in California took a severe downturn

[9] Source: Building Industry Association, 1998

due to an economic recession. This forced many experienced laborers to leave the state in search of work. The subsequent housing recovery beginning in 1997 has left the region with a labor shortage that is leading to higher labor costs.[10]

Methods that have been used to reduce the constraint of high construction costs, especially for affordable housing, include using volunteer labor, sweat equity, and donated materials. The City of Solana Beach is willing to work with developers to explore these options.

Availability of Financing

In 1998, interest rates in the San Diego region had fallen to their lowest levels in 30 years. Finance costs comprised approximately 6 percent of the total construction cost for a single family house, a decrease of 1 percent since 1990.[11]

Interest rates also affect homeownership opportunities. In September of 1998, the posted interest rate on resale single family homes was 6.34 percent on a 30-year, fixed rate loan with a 20 percent down payment. On the median home in San Diego County costing $199,000, the monthly interest and principal payment would be $990. In April 1989, when interest rates peaked at 11.3 percent, the comparable monthly payment on a median priced home costing $174,000 was $1,359.[12] Recent increases in interest rates will reduce homeownership opportunities.

Table 28 uses Home Mortgage Disclosure Act (HMDA) data to analyze mortgage lending patterns in Solana Beach. Out of 1,131 mortgage loan applications in 1997, approximately 12 percent were approved (based on the number of loans approved but not accepted and the number purchased) and 4 percent were purchased. A higher percentage of applications from lower income groups were denied than from the higher income groups.

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[10] Source: Building Industry Association, 1998

[11] Source: Building Industry Association, 1998

[12] Source: San Diego Union Tribune, "A Look Back Stimulates Interest," Oct. 18, 1998

Table 34
MORTGAGE LENDING RATES
Solana Beach, 1997

Applicant Income Group[1]	Total Apps.	Loans Originated	Apps. Approved but not Accepted	Apps. Denied	Percent Denied	Loan Purchased	Percent Purchased
<50%	21	5	0	9	42.9%	0	0%
50%-80%	38	28	2	5	13.2%	0	0%
80%-100%	45	28	3	10	22.2%	0	0%
100%-120%	79	57	6	14	17.7%	2	2.5%
>=120%	948	640	76	138	14.6%	48	5.1%
Total	1,131	758	87	176	15.6	50	4.4%

1. Percentage of Area Median Income

Source: Centrax Services Inc., 1990-1998 Home Mortgage Disclosure Act (HMDA) Data

CHAPTER 4
EVALUATION

Evaluation

This section analyzes the City's accomplishments during the 1991-1999 housing element cycle. This is done by evaluating the previous housing element and the City's success in meeting its goals; by evaluating the City's progress towards meeting Coastal Zone requirements; by evaluating the City's progress towards meeting its self-certification (fair share) housing goals; and by evaluating the City's Redevelopment Agency's accomplishments. The evaluation is used to determine goals and programs to be included in the 1999-2004 housing element.

Evaluation of Previous Housing Element

An important component of this revised housing element is the evaluation of the previous housing element. It is important to determine if the housing needs have changed, if the goals and policies are still relevant, and if the programs were effective. These questions were systematically considered as part of the housing element update. The analysis is summarized in the following paragraphs and is reflected throughout the revised Housing Element.

Effectiveness

The goals and objectives of the 1991-1996 Housing Element were appropriate for a small city such as Solana Beach, which had planned to use its Redevelopment Agency for both housing set-aside funding and density bonus projects to offset high land and housing costs. However, the City's Redevelopment Agency did not prove to be a viable source of housing set-aside funds. Currently, there are plans to dissolve the Agency. For more information on the Redevelopment Agency, see Chapter 4.

Progress

This section of the Housing Element describes the City's progress in meeting the goals and policies of the 1991-1996 Housing Element. The results of this analysis are important to this element because they were used to revise and update the proposed programs for 1999-2004 as described in Chapter 7.

The 1991-1996 Housing Element contained a series of goals related to new construction, rehabilitation, preservation, and housing assistance. The following section reviews progress in the implementation of each of these action items and the continued appropriateness for the 1999-2004 Housing Element.

1. **Construct 216 new housing units for all income groups between July 1, 1991 and June 30, 1996: 50 Very Low, 37 Low, 45 Moderate, and 84 Above Moderate.**

Accomplishment: 51 new housing units were constructed between 1991 and 1996. Of these, three were available to very low income households, and one was affordable to low income households. The remaining units were in the above moderate category.

Evaluation: In the 1990s, the San Diego region experienced a large decrease in the number of housing units being built, as shown by Table 35. Housing production in Solana Beach fell from an average of 132 units annually in the 1980s to an average of about 12 per year in the 1990s. This can be attributed to several factors, primarily the recession of the late 1980s and early 1990s, lower density residential zoning, and decreasing land availability.

Chapter 7 shows that the City has set a new construction quantified objective (equal to the regional share need) of 105 units for the 1999-2004 housing element cycle. This goal assumes that housing production will increase, especially through mixed-use development in areas near the transit station. Given the history of housing development in the City, and lack of vacant land, it is a more realistic goal than set forth in the previous housing element cycle.

Table 35
HOUSING UNITS BUILT
North County Coastal Cities and San Diego Region, 1970-1998

	1970-1989	1980-1989	1990-1998*
Carlsbad	8,782	13,447	3642
Del Mar	726	272	57
Encinitas	7,792	7,838	680
Oceanside	16,197	22,069	6,102
Solana Beach	**3,195**	**1,325**	**94**
San Diego Region	266,889	279,275	68,619

*January 1, 1998 estimate.
Source: 1990 Census; California State Department of Finance

2. **Develop 67 to 87 affordable units between July 1, 1991 and June 30, 1996.**

Accomplishment: As shown by Table 36, 96 affordable housing opportunities for very low and low income households were provided in Solana Beach between July 1, 1991 and June 30, 1996. Of these, 39 were provided through conservation, 4 were provided through new construction, and the remaining 53 were provided through Section 8 rental certificates.

Table 36
AFFORDABLE HOUSING OPPORTUNITIES PROVIDED
Solana Beach

		Targeted Pop. (# of Units)				Targeted Inc. (# of Units)		
Project Title	Type of Asst.	Elderly	Small Family	Large Family	Special Needs	Very Low	Low	Funding Source
Sunny Beach Apartments	New Const.		1				1	Density Bonus
Las Casitas De Solana	New Const.			3		3		Bond Financing
Section 8*	Conservation					53		Sec. 8
Del Mar Turf Club	Conservation	9	20		10	39		Bond Financing
Total		9	21	3	10	95	1	

*Information on targeted population is not currently available for the Section 8 program.

Source: City of Solana Beach Community Development Department

Evaluation: Although the City did not meet its goal to construct 67 to 87 new affordable units, it did provide 96 additional affordable housing opportunities between 1991 and 1996. The goal of 67 to 87 new affordable units is difficult in Solana Beach due to high land costs. Chapters 5 and 7 show that in the current (1999-2004) housing element cycle the City will focus on providing more land for affordable housing opportunities through the promotion of mixed-use residential development and second unit construction and conversion. Additionally, the City will use its inclusionary housing program to provide developers with options other than new construction for providing affordable housing opportunities, including acquisition and rehabilitation and the payment of in-lieu fees for affordable housing development. The City is also working with a non-profit developer to build new units as part of its obligation to provide replacement housing in the redevelopment area (see Chapter 7 for more details.)

3. **Rehabilitate 10 dwelling units between July 1, 1991 and June 30, 1996.**

   Accomplishment: The City did not oversee any substantial rehabilitation between 1991 and 1996.

   Evaluation: The City's housing stock generally has not needed substantial rehabilitation. However, Code Enforcement has overseen numerous minor rehabilitations during this period (approximately 3 per month.) The City's code enforcement program operates on a complaint basis. Units in need of repair are required to be brought up to code. The City refers landlords and homeowners to the rehabilitation programs offered by the County of San Diego.

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4. **Conserve 25 affordable Section 8 housing units in the existing stock and conserve the existing affordable rental housing supply. Reserve 56 affordable, density bonus units in two apartment developments (approved by the County and Coastal Commission and now a part of the incorporated City).**

   Accomplishment: No Section 8 uses expired during this cycle. However, 13 affordable units were demolished as a result of Redevelopment Agency activity. A non-profit agency is currently in the process of developing units to replace those lost. For more information on this project, see Chapter 7.

   The 56 "at-risk" units identified in the previous element did not convert to market rate units. However, they are eligible to convert during this housing element cycle. For an analysis of the City's plans to conserve these opportunities, see Chapters 2 and 7.

   Evaluation: The City recognizes the importance of conserving existing affordable housing opportunities. Conservation remains a primary goal.

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5. **Construct 32 affordable SRO units and 15 work/ live units within the proposed transit center project in the City's Redevelopment Area by 1993.**

   Accomplishment: The transit center project was not developed due to an economic downturn and difficulties with the City's Redevelopment Agency.

   Evaluation: The City's Redevelopment Agency has not been successful at promoting economic development in the City. (For a description of the Redevelopment Agency's status, see Chapter 4.) As there are tentative plans to dissolve the Agency, the current housing element does not include any programs that would be conducted by the Redevelopment Agency.

   However, this site has not yet been developed, and is still seen as a potential site for mixed-use development with a residential component that would include units affordable to low or very low income households.

6. **Enact a zoning ordinance that permits factory built housing and mobile homes on individual lots as a principal use in the ER-1, ER-2, LR and LMR zones by mid-1992.**

   Accomplishment: Ordinance 191 Sec. 1 (17.20 040B) was enacted in 1994, permitting factory built housing and mobile homes on individual lots as a principal use in the ER-1, ER-2, LR and LMR zones, as well as MR, MHR and HR.

   Evaluation: No factory built housing was proposed for development during this period, and because of the high cost of land in Solana Beach it is unlikely that factory built housing or mobile homes will be used in the future.

7. **Continue the City's annual program of capital improvements focusing on maintenance and repair activities.**

   Accomplishment: The City Engineer updates the capital improvement program annually. Traffic improvements are, and will continue to be, the main focus of the capital improvement program.

8. **Continue to implement a land use plan that encourages a variety of housing types.**

   Accomplishment: The land use plan encourages a variety of housing types by promoting mixed-use development. Residential components are allowed in all commercial and special commercial zoned areas at the highest allowable density (up to 20 units per acre).

   Evaluation: Because mixed-use development has not occurred in Solana Beach in the past, the City will implement a program to encourage mixed-use development in its commercial areas. For more information, see Chapter 7.

9. **Enact a zoning ordinance which permits second dwelling units in ER-1, ER-2, LR and LMR zones by 1992. Permit development of 5 second dwelling units between 1991-1996.**

   Accomplishment: Ordinance 191 Sec. 1 (17.20.040C) was enacted in 1994, permitting second dwelling units in ER-1, ER-2, LR and LMR zones by 1992. All requested second dwelling units have been approved (approximately three during this cycle).

   Evaluation: This ordinance places rental restrictions on second dwelling units, limiting their rental to family members, the elderly and persons with disabilities. These restrictions may have resulted in the low number of units

developed. Chapter 7 describes a program to remove these restrictions and to promote the development of more second units.

10. **Prepare and adopt an implementing ordinance for a density bonus land use element policy 6 to 12 months from adoption of the 1991 Housing Element. Develop 25 density bonus units between 1991 and 1996.**

    Accomplishment: Ordinance 185 Sec. 2 (17.20.050) was enacted in 1993 and is included in the City's municipal code. This ordinance references State Density Bonus law. No applications have been submitted for density bonus projects.

    Evaluation: Although the City's ordinance referenced State Density Bonus law, this may not have been sufficient to facilitate developer utilization of the program. Chapter 7 establishes a program for the City to develop and adopt its own Density Bonus ordinance.

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11. **Authorize a Subdivision ordinance requiring in-lieu fees for the provision of housing assistance and/ or the development of low and moderate housing requiring that 10 percent of all units built in projects of 4 or more units be affordable for very low and low income households.**

    Accomplishment: Resolution 95-76, authorizing in lieu fees was adopted October 16, 1995.

    Evaluation: The City's inclusionary ordinance, attached in Appendix A, has resulted in the provision of 4 affordable housing opportunities and will continue to be implemented.

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12. **Investigate the possibility of using higher density residential land use designations as a transition between commercial and industrial areas and single family areas within 12 months of adoption of the 1991 Housing Element.**

    Accomplishment: No higher density land use designations were created.

    Evaluation: Higher density land use designations have not proved to be politically viable in Solana Beach. Specific project approvals to increase density were consistently turned down by voters through referendum. In 1998, an ordinance increasing restrictions on increased densities (Proposition CC) was proposed in response to a citizen petition. The ordinance, which was approved by voters in 1998, requires that future general plan amendments that meet or exceed certain traffic, acreage or project size thresholds will be subject to a citywide vote. For a more detailed description see Chapter 3 and the attached ordinance in Appendix B. The best opportunity to implement higher density residential uses in the City lies in the promotion and use of the mixed-use provisions in the City's commercial zones.

13. **Establish criteria for the granting of fee waivers to reduce the production costs of new affordable housing 12 to 18 months after adoption of the 1991 housing element.**

Accomplishment: No criteria were established for the granting of fee waivers.

Evaluation: Due to high land costs, and an overall scarcity of sites, affordable housing projects are rarely proposed for development in Solana Beach. Currently, public facilities fees can be waived on a project by project basis. The City will continue this practice during the 1999-2004 Housing Element cycle.

14. **Preserve existing rental housing by considering requests for the conversion of existing apartment developments of over 10 units to a condominium development only when the rental vacancy rate exceeds 6 percent. In the event of a conversion, City Council shall require that 10 per cent of the units be reserved for very low and low income households or payment of a fee in-lieu of the reservation of affordable units.**

Accomplishment: This remains an ongoing City policy.

15. **Prepare a fee waiver ordinance for City Council consideration within 12 months of adoption of the 1991 Housing Element to encourage the conversion of existing units to restricted very low and low income affordable units.**

Accomplishment: No criteria were established for the granting of fee waivers.

Evaluation: Fee waivers did not prove to be politically viable in Solana Beach. Currently, public facilities fees can be waived on a project by project basis. The City will continue this practice during the 1999-2004 Housing Element cycle.

16. **Within 12 months of the adoption of the 1991 Housing Element, consider the establishment of a demolition control ordinance to preserve the existing housing stock. Consider requiring replacement units to preserve or set aside affordable units.**

Accomplishment: No ordinance was established.

Evaluation: Demolition of existing housing is not common in Solana Beach. However, in those cases where units are demolished, they will be subject to either Coastal Zone requirements for replacement housing or Redevelopment replacement housing laws. A separate ordinance was not deemed necessary.

17. **Continue code enforcement activities to maintain the condition of the housing stock.**

    Accomplishment: Ongoing objective.

    Evaluation: Code enforcement activities are a primary tool in Solana Beach for maintaining the condition of the housing stock. Code enforcement operates on a complaint basis. Landlords and homeowners are referred to the County of San Diego's rehabilitation programs.

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18. **In cooperation with the San Diego County Housing Authority, rehabilitate 10 substandard units between 1991-1996 utilizing CDBG loans and grants available through the San Diego County Housing Authority.**

    Accomplishment: CDBG funds were not used for the rehabilitation of individual units.

    Evaluation: Although CDBG funds were not used for the rehabilitation of individual units, they were used for public infrastructure improvements which made rehabilitation more affordable to over 36 homes in older areas of the City. These improvements included the addition of drainage pipes, curbs and gutters. In the future, CDBG funds can be directed towards the rehabilitation of substandard units.

---

19. **Support fair housing laws and statutes to provide equal housing opportunities within the jurisdiction.**

    Accomplishment: This remains an ongoing City objective.

    Evaluation: Chapter 7 describes the City's current fair housing activities.

Evaluation of Progress Towards Meeting Coastal Zone Requirements

Section 65588 of the Government Code requires that, in housing element updates, coastal jurisdictions document the number of low- and moderate-income units converted or demolished, and the number of replacement units provided. Section 65588 also requires that revisions of the housing element must include, for the coastal zone:

1. Number of new units approved for construction after January 1, 1982
2. Number of units for low- and moderate-income households required to be provided either within the coastal zone or within three miles of it.
3. Number of units occupied by low- and moderate-income households and authorized to be demolished or converted since January 1, 1982.
4. Number of units for low and moderate-income households required either within the coastal zone or within three miles in order to replace those being demolished or converted.

Because the City was incorporated in 1986, information is not available for units produced between 1982 and 1986. The following information was obtained from the County of San Diego Department of Housing and Community Development and from city records.

<u>1986-1991</u>

1. New construction: 86 new units
2. New low and moderate income housing: 1 approved
3. Demolished/converted low and moderate income housing: 4
4. Replacement low/moderate income housing: 0

<u>1991-1999</u>

1. New construction: 51
2. New low and moderate income housing: 4
3. Demolished/converted low and moderate income housing: 13
4. Replacement low/moderate income housing: 0 (A nonprofit developer is currently developing a project to replace the 13 units. See Chapter 7 for details.)

Evaluation of Progress Towards Meeting Self Certification Goals

In 1995 SANDAG sponsored State legislation (AB 1715) which allows jurisdictions within the San Diego region to self-certify the housing element of their general plans if the element meets certain criteria. Below, each criterion is discussed, followed by an analysis of Solana Beach's progress towards meeting the criterion.

Criterion 1: The jurisdiction's adopted housing element or amendment substantially complies with the provisions of this article, including addressing the needs of all income levels.

Solana Beach has prepared an updated housing element which addresses the needs of all income levels.

Criterion 2: For the third housing element revision pursuant to section 65588, the jurisdiction met its fair share of the regional housing needs for the second housing element revision cycle, as determined by SANDAG.

In Solana Beach, the fair share of the regional housing needs for the second housing element revision cycle is 194. As of December 31, 1996, Solana Beach had provided 96 affordable housing opportunities, or just under half of the fair share goal. Therefore, the City will be submitting its housing element to the State Department of Housing and Community Development for certification.

Criterion 3: For subsequent housing element revisions, the jurisdiction has provided the maximum number of housing units/ opportunities as determined pursuant to Section 65585.1(a) within the previous planning period.

Solana Beach will attempt to self-certify the housing element due in 2004. To do this, the City will need to provide an additional 52 affordable housing opportunities: 14 extremely low income, 17 very low income, and 21 low income. Chapter 7 describes the programs and policies that will be implemented to meet these goals.

Criterion 4: The city or county provided a statement regarding how its adopted housing element or amendment addresses the dispersion of lower income housing within its jurisdiction, documenting that additional affordable housing opportunities will not be developed only in areas where concentrations of lower income households already exist, taking into account the availability of necessary public facilities and infrastructure.

It is a policy of the City of Solana Beach to ensure that lower income housing opportunities are dispersed throughout the City. The City will provide a statement regarding how its housing element addresses this dispersion before attempting to self-certify the housing element due in 2004.

Criterion 5- No local government actions or policies prevent the development of the identified sites pursuant to section 65583, or accommodation of the jurisdiction's share of the total regional housing need pursuant to section 65584.

The City of Solana Beach does not have any actions or policies that prevent the development of the sites identified to meet its regional share goals.

Evaluation of Redevelopment Agency Housing Activities

Currently, there are plans to dissolve the City of Solana Beach's Redevelopment Agency. The Agency has produced significant debt without generating economic development within the City. However, the City does have a relocation responsibility for past redevelopment activities that resulted in the demolition of 13 very low and low income housing units. The City's entire redevelopment set-aside fund (approximately $300,000) has been committed towards the development of replacement units for the affordable units lost. Additionally, any future funds which may be accrued within this housing element period have been committed to the replacement housing project. However, the amount of these potential funds can not be determined as the Agency may dissolve. For a further discussion of the replacement housing project, see Chapter 7.

CHAPTER 5
HOUSING OPPORTUNITIES

Housing Opportunities

This section evaluates the potential residential development that could occur based on the Solana Beach General Plan and Zoning Ordinance.

Availability of Suitable Sites

Housing element law mandates that a city must show that it has adequate sites with required public services and facilities for a variety of housing types for all income levels. In this section, adequate sites will be discussed in terms of the City's regional share goals – the City's share of the region's housing needs for 1999-2004.

Regional Share Goals

According to state law, local jurisdiction's housing needs assessments must include their share of the projected needs for housing in the region (regional share). The San Diego Associations of Governments (SANDAG) has identified Solana Beach's share of regional housing needs for 1999-2004. The figures are contained in the Regional Housing Needs Statement which was adopted in 1999. Each jurisdiction must identify the sites (capacity) to meet their share of the region's housing needs. The regional share identifies the need for new housing units for each jurisdiction and distributes the projected housing need to all income groups: very low, low, moderate, and above moderate.

Table 37 shows Solana Beach's regional share goal and the income distribution of the goal. Solana Beach accounts for 0.1 percent of the region's projected housing needs, or 105 units.

Table 37
REGIONAL SHARE
Solana Beach, 1999

Income Category	Goal	Percent of Total
Very Low Income (<50% A.M.I.)	27	26%
Low Income (50-80% A.M.I.)	26	25%
Moderate Income (80-120% A.M.I.)	24	23%
Above Moderate Income (>120% A.M.I.)	28	26%
Total	105	100%

A.M.I. = Area Median Income

Source: SANDAG Preliminary 2020 Cities/County Forecast

Solana Beach will use three types of sites to meet the regional share goals: residential land (vacant and infill sites), commercial land (vacant and developed sites), and second dwelling units. Table 38 summarizes the City's ability to meet the regional share goals using these three types of sites. Each type of site is discussed in greater detail in the following sections. This table does not show capacity. It instead demonstrates a realistic projection of where the City's regional share of housing will be developed. Capacity is demonstrated in the following sections.

Table 38
SITES USED TO MEET REGIONAL SHARE GOALS
Solana Beach, 1999

		Type of Site Used			
Income Category	Unit Goal	Residential Land	Commercial Land (Mixed-Use)	Second Dwelling Units	Total
Very Low and Low Income	53	4	34	15	53
Moderate Income	24	24			24
Above Moderate Income	28	28			28
Total	105	56	34	15	105

Residential Land

Vacant residential sites and sites with residential infill potential (sites that could be subdivided to achieve additional capacity) were analyzed first. The following map shows current (1999) vacant and infill sites in the City. Each of these numbered sites is described in greater detail in Table 40.

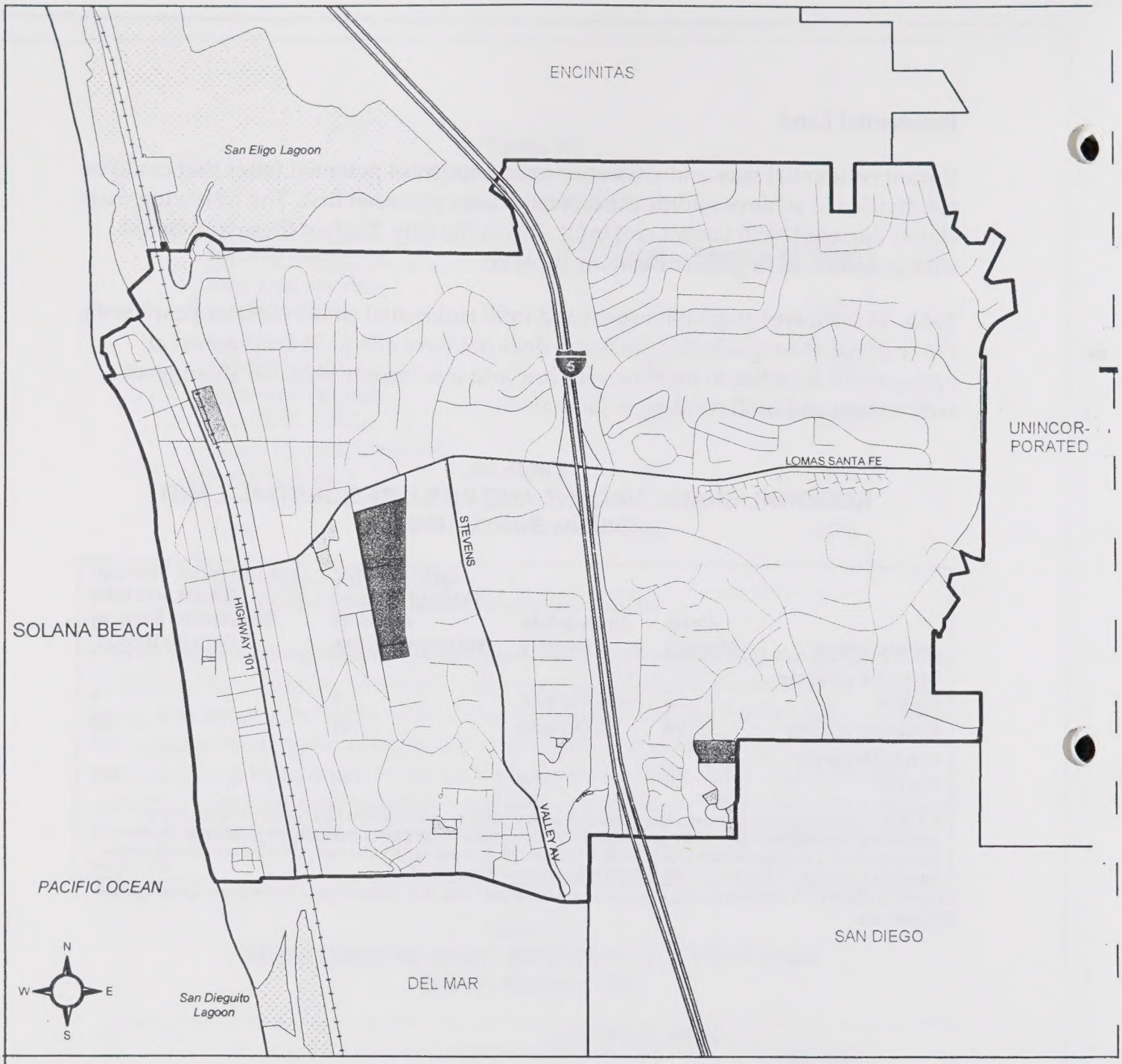
Table 39 compares available vacant and infill residential sites in Solana Beach with the regional share goals. Solana Beach does not have adequate land zoned at appropriate densities to meet its very low and low income regional share goals with vacant and infill residential land alone.

Table 39
REGIONAL SHARE/ VACANT AND INFILL RESIDENTIAL LAND
Solana Beach, 1999

Income Level	Units Needed	Appropriate Density	Unit Potential Through Vacant and Infill Residential Sites	Unit Potential Through Vacant and Infill Residential Sites w/ Density Bonus[1]
Very Low and Low Income	53	>=20 Du/acre	4	4
Moderate Income	24	12 Du/acre	31	39
Above Moderate Income	28	Any	82	101

1. Density bonuses are applied to developments of 5 or more units in which the developer agrees or proposes to construct at least (a) 20 percent of the total units of a Housing Development for Lower Income Households, (b) 10 percent for Very Low Income Households, or (c) 50 percent for persons age 65 and over. The minimum density bonus required by state law is 25 percent, jurisdictions may increase the bonus given.

Source: SANDAG Preliminary 2020 Cities/County Forecast, City of Solana Beach Community Development Department

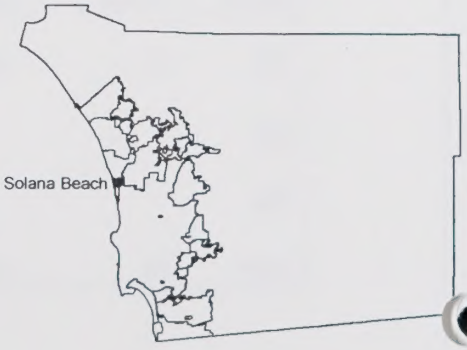


City of Solana Beach

Map 10. 1999 Residential Land Use

Vacant Developable

Redevelopment/Infill



0.5 0 0.5 Miles

Source: SANDAG 1998 Estimates
This map contains information from the San Diego Association of Governments (SANDAG) Regional Information System.
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Map Date: June 11, 1999

SourcePoint

Table 40
VACANT RESIDENTIAL AND INFILL RESIDENTIAL SITE INVENTORY
Solana Beach, 1999

Parcel	Land Type	Acres	General Plan Designation	Density Range (Units/ Acre)	Max. Unit Potential	Max. Unit Potential with 25% Density Bonus[1]	Comments
1	Vacant	2.00	Med-High Res.	8-12 Du/Acre	21	26	This site is located near the City's train station.
2	Vacant	1.95	Low-Med Res.	4 Du/Acre	8	10	This site is surrounded by single family and office uses.
3	Vacant	0.22	High Res.	13-20 Du/Acre	4	4	This site is surrounded by multi-family housing and commercial uses.
4	Infill	23.14	Estate/Low Res.	1-3 Du/Acre	69	86	This area is developed with single family units on lots that could be further subdivided.
5	Vacant	0.83	Med-High Res.	8-12 Du/Acre	10	13	This site is owned by, and adjacent to, a local church.
6	Vacant	0.22	Med Res.	5-7 Du/Acre	2	2	
7	Vacant	0.51	Estate Res.	0-2 Du/Acre	1	1	Parcels 7, 8, and 9 are characterized by steep slopes.
8	Vacant	0.54	Estate Res.	0-2 Du/Acre	1	1	
9	Vacant	.055	Estate Res.	0-2 Du/Acre	1	1	
10	Infill	3.20	Estate/Low Res.	1-3 Du/Acre	3	3	This site is currently in use as a nursery/greenhouse.
Total		**32.67**			117	145	

1. Density bonuses are applied to developments of 5 or more units in which the developer agrees or proposes to construct at least (a) 20 percent of the total units of a Housing Development for lower income households, (b) 10 percent for very low income households, or (c) 50 percent for persons age 65 and over. The minimum density bonus required by state law is 25 percent, jurisdictions may increase the bonus given.

Source: SANDAG Preliminary 2020 Land Use Inputs, Discussions with City of Solana Beach

Commercial Land

Because the City does not have adequate vacant and infill residential land zoned at appropriate density for lower income housing, commercial land was considered as a method to assist in meeting the regional share goals. In response to the limited availability of residential land, the City of Solana Beach encourages the provision of residential uses with commercial development in all commercial zones. Mixed-use residential development is allowed by right at the highest residential density (20 du/acre) in all commercial areas. The following map shows that the majority of the City's vacant commercial land is located in close proximity to the transit station, which makes this an ideal location for housing development.

Table 41 shows that there are 7 vacant developable acres of commercial land in Solana Beach and 329 developed commercial acres. Developed land also has the capacity for mixed-use development, which could take the form of infill residential development on existing commercial sites or redevelopment of those sites. Many existing commercial sites are underutilized, and would be enhanced by a residential component. The following map shows that many of the developed commercial sites are also located near the transit station. To determine the dwelling unit capacity of vacant land, only those sites which were located near the train station were considered. This accounted for approximately 50 percent of the developed commercial land in the City. It was then assumed that 25 percent of this land could be developed or redeveloped with residential uses.

Table 41
COMMERCIAL LAND
Solana Beach, 1995

Zoning Permitted/Housing Type/Specific Plan Area	Acres	Density Range (Units/Acre)	Dwelling Unit Capacity
Vacant Developable Land	7	1-20 Du/Acre	140
Developed Land	329	1-20 Du/Acre	823
Total	336	1-20 Du/Acre	963

Source: SANDAG Preliminary 2020 Land Use Inputs

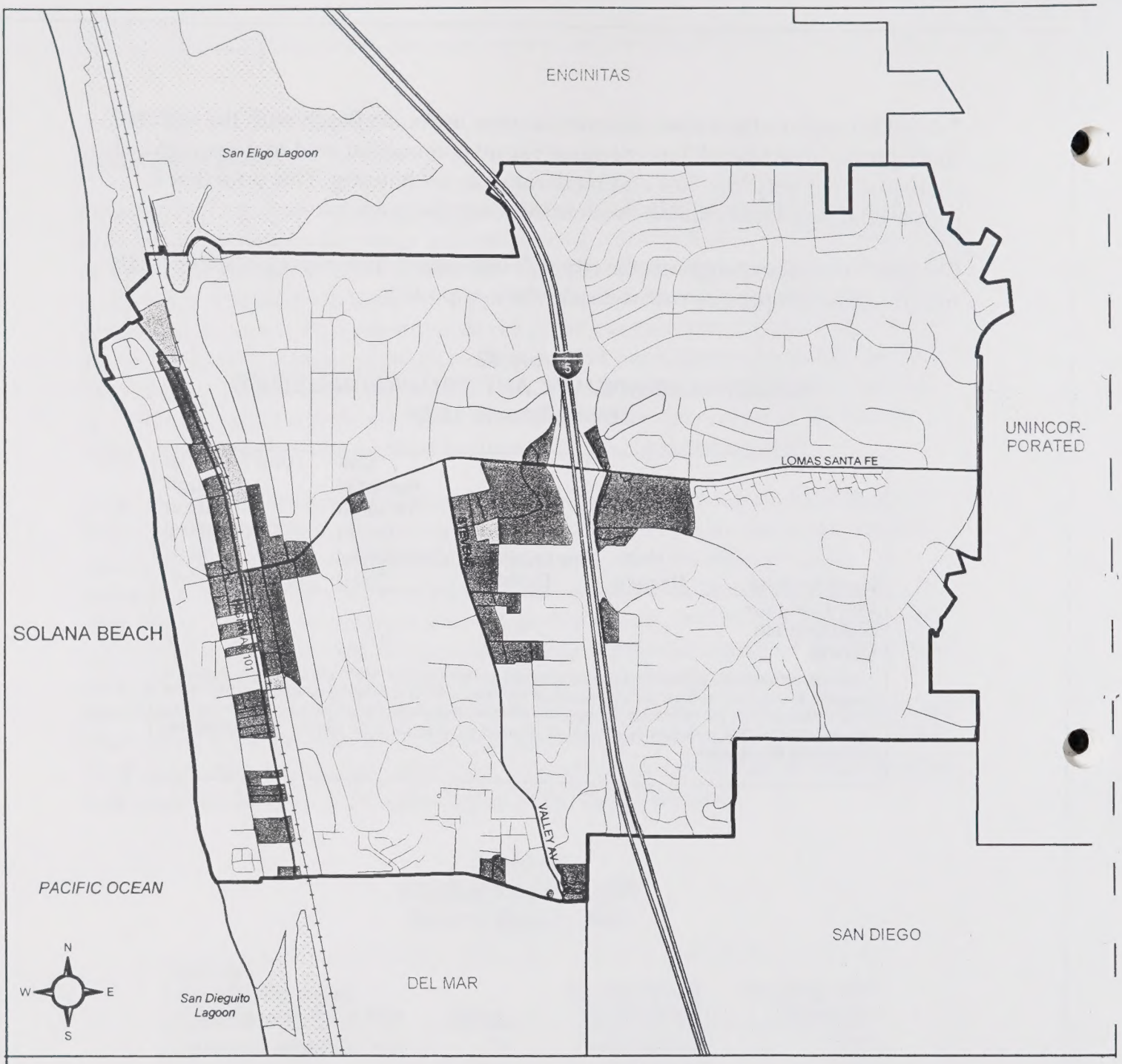
Table 42 compares the vacant commercial sites in Solana Beach with the regional share goals. Solana Beach has adequate vacant commercial land to meet regional share goals for very low, low and moderate income housing. This potential is increased if developers utilize the density bonus program.

Chapter 7 describes programs the city will implement to encourage and facilitate mixed-use developments with a residential component.

Table 42
REGIONAL SHARE/ VACANT COMMERCIAL SITES
Solana Beach, 1999

Income Level	Units Needed	Appropriate Density	Unit Potential Through Vacant Commercial Land	Unit Potential Through Vacant Commercial Land w/ Density Bonus[1]
Very Low, Low and Moderate Income	77	>=20 Du/acre	140	175

1. Density bonuses are applied to developments of 5 or more units in which the developer agrees or proposes to construct at least (a) 20 percent of the total units of a housing development for lower income households, (b) 10 percent for very low income Households, or (c) 50 percent for persons age 65 and over. The minimum density bonus required by state law is 25 percent, jurisdictions may increase the bonus given.

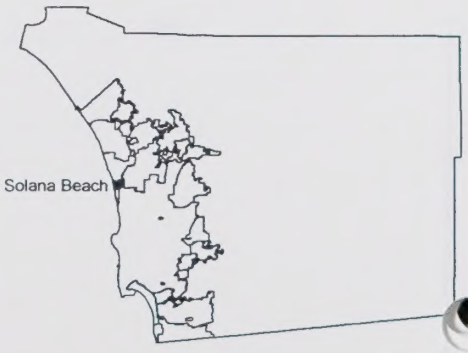


City of Solana Beach

Map 11. 1995 Commercial and Office Land Use

Vacant Developable

Developed



0.5 0 0.5 Miles

Source: SANDAG 1998 Estimates
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Map Date: June 11, 1999

SourcePoint

Second Dwelling Units

Second dwelling units are another option for the provision of lower income housing in cities with little land available for new residential development. Second dwelling units provide housing for family members, students, the elderly, in-home health care providers, persons with disabilities, and others, at below market prices within existing neighborhoods. Though the capacity for second dwelling units is difficult to determine, the City has over 4,100 single family homes. A large number of these are built on lots that are adequate to accommodate a second dwelling unit.

Chapter 7 describes programs the City will implement to encourage and facilitate the development of second dwelling units. It is estimated that approximately 15 new second dwelling units will be created during the 1999-2004 housing element cycle.

Opportunities for Siting Homeless Shelters and Transitional Housing

State law requires that cities identify sites that are adequately zoned for the placement of homeless shelters and transitional housing. Additionally, they must not unduly discourage or deter these uses. Currently, the City would classify a homeless shelter or transitional housing as either a residential care facility, group care facility or congregate care facility, depending upon the services offered.

Currently the City allows residential care facilities for 6 or fewer persons in all residential zones, as well as in the commercial and special commercial zones, as shown in Table 43. Residential care facilities for 7 to 12 persons can be located in all residential zones, as well as the commercial and special commercial zones with a conditional use permit (CUP) issued by the Community Development Director. Residential care facilities with 13 or more persons can be located in all residential zones, as well as the commercial and special commercial zones with a CUP issued by the City Council. Additionally, group residential facilities are allowed in the higher density residential zones with a CUP issued by the Community Development Director, and in the commercial zone with a CUP issued by the City Council. Congregate care facilities are allowed in the medium, medium high and high residential zone with a conditional use permit issued by the City Council.

Table 43
ZONES ALLOWING GROUP RESIDENTIAL AND CONGREGATE CARE FACILITIES
Solana Beach, 1999

	ER-1	ER-2	LR	LMR	MR	MHR	HR	C	SC	LC	OP	PI
Residential Care Facility – 6 or fewer persons	P	P	P	P	P	P	P	P	P	E	E	E
Residential Care Facility – 7-12 persons	C	C	C	C	C	C	C	C	C	E	E	C
Residential Care Facility – 13 or more persons	CC	CC	CC	CC	CC	CC	CC	CC	CC	E	E	CC
Group Residential Facilities	E	E	E	E	E	C	C	CC	E	E	E	E
Senior Citizen/ Congregate Care Housing	E	E	E	E	CC	CC	CC	E	E	E	E	E

P = the use is permitted
C = the use is subject to a conditional use permit issued by the director of community development
CC = the use is subject to a conditional use permit issued by the city council
E = the use is prohibited

Source: City of Solana Beach Zoning Ordinance, 1996

Availability of Public Services and Facilities

The City of Solana Beach currently has adequate public services and facilities to serve all new residential development that may occur throughout the city.

Opportunities for Energy Conservation

The primary uses of energy in urban areas are for transportation lighting, water heating, and space heating and cooling. The high cost of energy demands that efforts be taken to reduce or minimize the overall level of urban energy consumption.

Title 24, Building Energy Standards for Residential Development, establishes energy budgets or maximum energy use levels. The standards of Title 24 supercede local regulations, and State requirements mandate Title 24 requirements through implementation by local jurisdictions. The City will continue strict enforcement of local and state energy regulations for new residential construction, and continue providing residents with information on energy efficiency.

The City's goal is to achieve maximum use of conservation measures and alternative, renewable energy sources in new and existing residences. By encouraging and assisting residents to utilize energy more efficiently, the need for costly, new energy supplies, and the social and economic hardships associated with any future shortages of conventional energy sources will be minimized.

CHAPTER 6
GOALS AND POLICIES

Goals and Policies

This section of the Housing Element contains goals and policies the City will implement to address a number of important housing-related issues.

The primary goal of the City of Solana Beach is to ensure that decent, safe housing is available at a cost that is affordable to all current and future residents of this community. To this end the City will strive to maintain a reasonable balance between rental and ownership housing opportunities, between senior and family housing: and encourage a variety of individual choices of tenure, type, and location of housing throughout the community.

To achieve this goal, the following sub-goals and policies are addressed in this element: 1) encourage the adequate provision of housing opportunities; 2) ensure that housing is maintained and preserved; and 3) promote equal access to housing opportunities. Each issue area and the supporting goals and policies are identified and discussed in the following section.

Housing Opportunities

Goal 1: Encourage the adequate provision of a range of housing opportunities that will meet Solana Beach's share of the existing and future housing needs of the region.

Policy 1.1: Provide a variety of residential development opportunities in the City, including single family homes, townhomes, apartments and condominiums, and mixed-use to help meet regional housing needs.

Policy 1.2: Encourage both the private and public sectors to produce or assist in the production of housing with particular emphasis on housing affordable to lower income households and other special needs groups within the City.

Policy 1.3: Facilitate the development of low and moderate income housing by offering developer incentives such as fee waivers and flexibility in zoning and development standards.

Policy 1.4: Identify vacant and underutilized land suitable for housing development.

Policy 1.5: Encourage mixed-use development in the City's commercial areas, particularly the areas within walking distance of the transit station.

Policy 1.6: Encourage developers to employ innovative solutions to meet housing needs, including adaptive reuse of existing non-residential buildings and mixed-use development.

Policy 1.7: Identify existing housing that could be made affordable through acquisition and rehabilitation or lease covenants.

Policy 1.8: Encourage the development of housing for low and moderate income households in areas within walking distance of the transit station.

Policy 1.9: Encourage the dispersal of low and moderate income housing opportunities throughout the City to avoid overconcentration.

Goal 2: Minimize governmental constraints to the development, improvement, and maintenance of housing.

Policy 2.1: Facilitate building permit and development plan processing for residential construction.

Policy 2.2: Expedite project review of residential developments with an affordable housing component.

Policy 2.3: Consider fee waivers and other incentives for residential projects constructed specifically for very low, low and moderate income households.

Maintenance and Preservation

Goal 3: Maintain and enhance the quality of residential neighborhoods in Solana Beach.

Policy 3.1: Advocate the conservation and rehabilitation of substandard residential properties by homeowners and landlords.

Policy 3.2: Continue to utilize the City's code enforcement program to bring substandard units into compliance with City codes and to improve overall housing quality and conditions in Solana Beach.

Goal 4: Conserve existing affordable housing opportunities.

Policy 4.1: Monitor existing affordable housing stock.

Policy 4.2: Attempt to preserve restricted low income housing in the City that is at risk of converting to market rate rents by: a) identifying financial resources available to preserve these units; and b) assisting interested agencies and/or

tenant groups in forming partnerships and gaining access to financial and technical resources.

Accessibility of Housing

Goal 5: Promote equal opportunity for all residents to reside in the housing of their choice.

Policy 5.1: Prohibit discrimination in the sale or rental of housing with regard to race, ethnic background, religion, handicap, income, sex, age, and household composition.

Policy 5.2: Support programs that promote homeownership for residents of all income categories.

CHAPTER 7
PROGRAMS

Programs

The programs contained in this section of the Housing Element describe specific actions the City of Solana Beach will carry out over the five year housing element cycle to satisfy the community's housing needs and meet the requirements of State law. Each housing issue area is followed by the related goals and the programs that will be implemented to meet those goals. The City's quantified objectives for the five year housing element follow the programs descriptions.

Housing Opportunities

Goals

- Encourage the adequate provision of a range of housing opportunities that will meet Solana Beach's share of the existing and future housing needs of the region.
- Minimize governmental constraints in the development, improvement, and maintenance of housing.

Program 1: Encourage Mixed-Use Development

The City of Solana Beach permits mixed-use high density residential development by right in commercial areas. In a high cost area with limited land availability, such as Solana Beach, this represents a significant opportunity for the development of multi-family housing. Currently there are a number of commercially zoned sites where this use would be compatible. Examples include the commuter rail site, the west side of North Cedros, and the commercial area bounded by South Highway 101, Dahlia, South Sierra and Plaza. However, mixed-use projects are rarely proposed. Therefore, the city will carry out the following activities to encourage mixed-use development:

A. Analyze constraints to mixed-use development

The City will conduct meetings with for profit and non-profit developers to determine any constraints which may be preventing the development of mixed-use projects in the city, such as difficulty in obtaining financing or inflexible zoning and development standards. Additionally, these developers can assist the City in determining the best methods for publicizing the City's mixed-use program.

B. Mitigate constraints to mixed-use development

Once the City has determined the constraints to mixed-use development, it will begin a program to mitigate these constraints. This program might include implementation of reduced parking requirements or other development standards, zoning incentives, fee

reductions or assistance in obtaining financing, and/or funding and development assistance for mixed-use projects.

C. Increase awareness of the potential for mixed-use development

The City will work to increase developer awareness of the potential for mixed-use development. During Program 1.A., the City will work with for profit and non-profit developers to determine the best method to implement this program. Options may include (but are not limited to) conducting workshops with developers, meeting with the Building Industry Association, and/or training staff members to meet with individual developers to promote the City's mixed-use program. Additionally, the City will provide technical support to developers proposing mixed-use projects.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: General Fund

Schedule:

Housing Element Adoption		
Program 1.A. Analyze constraints to mixed-use development	Program 1.B. Mitigate constraints to mixed-use development	Program 1.C Increase awareness of the potential for mixed-use development
Months 1-6	Months 6-12	Months 12-Ongoing

CITY OF SOLANA BEACH
HOUSING ELEMENT

1999-2004

Adopted November 16, 1999

Prepared by:
SourcePoint
401 B St. Suite 800
San Diego, CA 92101
(619) 595-5353

Program 2: Encourage Second Dwelling Units

Second dwelling units provide housing for family members, students, the elderly, in-home health care providers, persons with disabilities, and others, at below market prices within existing neighborhoods. Though the City currently has a second dwelling unit ordinance, this program is under utilized. Therefore, the City will take the following steps to encourage the development of second dwelling units:

A. Revise Ordinance

Currently, the City's second dwelling unit ordinance permits second dwelling units to be developed and rented to family members, persons age 60 years of age or over, or persons with disabilities. However, these requirements may act as disincentives to the development of second dwelling units. Therefore, the City will revise the ordinance.

The revised ordinance will include, but not be limited to, the following requirements:

- Either the primary dwelling or the second dwelling unit must be owner occupied; and,
- Rental of second dwelling units will be restricted to lower income households.

Factors that will be discussed during the revising of the ordinance include, but are not limited to:

- Length of affordability of the second dwelling units;
- Methods to ensure continuing affordability of the second dwelling units without constraining the development of such units;
- A method to encourage the construction of second dwelling units during the construction of new housing;
- A schedule to monitor the ordinance to verify that it is assisting in meeting community goals;
- Affordability exceptions for family members; and,
- Incentives that could be offered by the City to facilitate the development of affordable second dwelling units (see 2.B.)

B. Explore methods to facilitate development

The City's goal is to encourage the development of affordable second dwelling units, equitably distributed throughout the entire city, without placing undue constraints on the developers of these units. Therefore, the City will explore methods to facilitate development. These may include offering direct financial incentives, waiving fees, reducing development standards, or implementing a faster permit approval process for these units.

C. Implement methods to facilitate development

After exploring methods to facilitate the development of affordable second dwelling units, the City will implement those methods that have the greatest impact on reducing the cost of developing the units.

D. Increase public awareness of the program

Once incentives are being offered to facilitate the development of affordable second dwelling units, the city will take steps to increase public awareness of the second dwelling unit program. This will be done by posting notices regarding the program at public locations such as the City's Community Development Department and the public library

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: General Fund

Schedule:

Housing Element Adoption				
	Program 2.A. Revise ordinance	Program 2.B. Explore methods to facilitate development	Program 2.C. Implement methods to facilitate development	Program 2.D. Increase public awareness of the program
	Months 1-6	Months 1-9	Months 9-12	Months 12-Ongoing

Program 3: Density Bonus

State law requires that if a developer agrees to construct at least 20 percent of the total units of a housing development for lower income households, or 10 percent of the total units of a housing development for very low income households, or 50 percent of the total units for elderly households, a jurisdiction must grant a density bonus of at least 25 percent over the otherwise maximum allowable density for the project site.

Currently, the city relies upon the state density bonus ordinance for implementation of this program. However, this may unnecessarily limit developer use of this program. Therefore, the City will implement its own density bonus ordinance to facilitate developer use of this program, and to comply with state law.

The terms of the City's density bonus ordinance will comply with State Density Bonus law (Sections 65915 and 65917 of the California Government Code.) Terms will include, but are not limited to:

1. The City shall grant either: a Density Bonus, or a Density Bonus with an Additional Incentive(s) to an applicant or a developer of a housing development of five or more residential units who agrees to provide:

    A. At least 20 percent of the total units of the housing development as target units affordable to lower income households; or

    B. At least 10 percent of the total units of the housing development as target units affordable to very low income households; or

    C. Senior citizen housing.

2. In determining the number of Density Bonus units to be provided, the maximum residential density for the site shall be multiplied by .25.

Any terms of the ordinance not mandated by State law will be determined by the City during the development of the new ordinance.

Implementing Agency: City of Solana Beach Community Development Department and City Attorney

Funding Source: General Fund

Schedule (From Housing Element Adoption): 18 Months

Program 4: Inclusionary Housing Program/ In-Lieu Fees

The City will continue to implement its inclusionary housing program. This program requires that housing developers of four or more units provide a percentage of the total units in the development for very low and low income households and/or pay an in-lieu fee. Units can be provided on or off site, through new construction or acquisition and rehabilitation of existing units. For a more detailed description of the City's inclusionary housing program, see Chapter 3. A copy of the ordinance is included in Appendix A.

Table 44 shows the City's inclusionary housing requirements. The number of affordable units required ranges from one unit for developments of 10 to 14 units, to four units for developments of 35 or more units. Developers of smaller projects, and projects that were close to the cut off point for unit requirements are also required to pay an in-lieu fee. These fees are used for the development of additional affordable housing opportunities.

Table 44
AFFORDABLE INCLUSIONARY HOUSING REQUIREMENTS
Solana Beach, 1999

Project Size (# of Units or Lots[1])	Affordable Housing Units Required[2]	In-Lieu Fees Required	Project Size (# of Units or Lots[1])	Affordable Housing Units Required[2]	In-Lieu Fees Required
4	0	$56,000[3]	24	2	$56,000[4]
5	0	$70,000[3]	25	3	0
6	0	$84,000[3]	26	3	0
7	0	$98,000[3]	27	3	0
8	0	$112,000[3]	28	3	0
9	0	$126,000[3]	29	3	0
10	1	0	30	3	0
11	1	$14,000[2]	31	3	$14,000[4]
12	1	$28,000[2]	32	3	$28,000[4]
13	1	$42,000[2]	33	3	$42,000[4]
14	1	$56,000[2]	34	3	$56,000[4]
15	2	0	35	4	0
16	2	0	36	4	0
17	2	0	37	4	0
18	2	0	38	4	0
19	2	0	39	4	0
20	2	0	40	4	0
21	2	$14,000[4]	41	4	$14,000[4]
22	2	$28,000[4]	42	4	$28,000[4]
23	2	$42,000[4]			

1. Consult with City Staff regarding calculations for projects containing residential numbers in excess of this chart.
2. Note that the definition of affordable housing unit is defined by State law and City regulations- several options apply. Applicants are encouraged to provide these units on-site, to acquire existing housing off-site, or to build new units off-site.
3. An additional affordable unit may be built instead of paying this fee.
4. An additional affordable unit may be built instead of paying this fee. A credit against this fee may be approved by the City manager for providing an additional bedroom.

Source: City of Solana Beach Community Development Department

Program 5: Shared Housing

In response to the high cost and low supply of rental housing, the City will explore the option of implementing a shared housing program. Shared housing programs match elderly, disabled, low income, and other residents in need of housing opportunities. Such a match serves both the financial and social needs of those sharing residents, and provides low-cost housing through better use of existing units. Shared housing costs, companionship, exchange of services for reduced rent, and fuller utilization of existing homes are some of the advantages experienced through a shared housing living agreement.

Currently, the neighboring City of Del Mar contracts with Lifeline Community Services of North San Diego County, a non-profit agency, to conduct its shared housing program. The City of Solana Beach will investigate partnering with Del Mar to offer this service to residents for $20,000 annually.

Implementing Agency: City of Solana Beach Community Development Department, Lifeline Community Services of North San Diego County

Funding Source: General Fund, Inclusionary Housing In-Lieu Fees

Schedule (from Housing Element adoption): 36 months

Program 6: Replacement Housing

In June of 1999, the City of Solana Beach selected Community Housing of North County, a non-profit housing developer, to provide 13-40 lower income affordable, multi-family, rental units in the City. These units are needed to satisfy the City's Redevelopment Agency replacement housing obligations.

The City will assist the non-profit with site selection, as well as providing any needed technical assistance throughout the development process. In addition, the City will consider any applicable fee waivers or other incentives such as priority permit processing and reduced zoning standards.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: The City has $300,000 of redevelopment set-aside funds and $70,000 in in-lieu fees to help fund the project. Additionally the City will seek CDBG funds to assist with development costs. Community Housing of North County will use a variety of financing sources for the remaining costs, including federal and state grants and loans.

Schedule: Ongoing

Program 7: Address and Mitigate Constraints to Housing Development

State law requires that cities address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing. In Solana Beach, two potential governmental constraints were found to the development of housing — the City's inclusionary housing ordinance and the City's permit processing procedures. The following programs address these constraints:

A. Review Inclusionary Housing Ordinance

The City of Solana Beach's inclusionary housing program requires that housing developers of four or more units provide a percentage of the total units in the development for very low and low income households and/or pay an in-lieu fee. Currently, the City provides developers with a number of options for providing the affordable units and paying the in-lieu fees. (For a more detailed description of requirements of the inclusionary housing program, see Chapter 5, Chapter 7 and the ordinance attached in Appendix A.) However, the obligation to provide the units falls on the developer.

To facilitate the utilization of this program, the City will implement a program to provide incentives to the developers of affordable inclusionary housing units. Incentives could include reduced development standards such as reduced setbacks or square footage requirements and any other regulatory incentives or concessions which result in identifiable cost reductions.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: City of Solana Beach General Fund

Schedule (From Housing Element Adoption): 24 months

B. Monitor Permit Processing Procedures

The processing time for permits varies in the City of Solana Beach, based upon the scope and type of project and the applicant's compliance with the City's ordinances and completeness of the applications. Certain types of applications/permits are discretionary and require a public hearing, while others are processed administratively. (For a more detailed description of the City's permit processing procedures, see Chapter 4.)

In a small City such as Solana Beach, permit processing times do not act as a significant constraint to housing development. On average, projects requiring administrative approval are processed within a period of several days to three months, while those requiring discretionary approval may have processing times between 2 and 4 months.

Residential projects requiring discretionary approval include:

- Any residential project of 20 or more units; and,
- Any new residential structure or structural additions which exceed 25 feet in height.

(For a complete description of projects requiring discretionary approval, see Appendix C.)

Due to limited land availability, low density zoning on vacant land, and an overall decrease in multi-family developments regionwide, the City has not had requests for the approval of developments of 20 or more units or developments exceeding 25 feet in height. Therefore, the requirement that these types of projects be subject to discretionary approval has not been a significant constraint to housing development in the past.

However, the City will monitor its permit processing procedures over the housing element period to ensure that they are not acting as a constraint to the development of housing. If the City begins receiving applications for residential projects that would require discretionary review, the City will review the current requirements and determine a method to mitigate this constraint. Examples of methods used to mitigate this constraint might include changing the current guidelines for projects requiring a discretionary review or developing a priority processing system for these types of projects.

Program 8: Homeless Shelter/ Transitional Housing Site Identification

State law requires that cities identify sites that are adequately zoned for the placement of homeless shelters and transitional housing. Additionally, they must not unduly discourage or deter these uses. To ensure compliance with this requirement, the City will review its current process for the siting of these uses. If the process is found to create undue restrictions on these uses, the City will modify its zoning ordinance accordingly.

Funding Source: City of Solana Beach General Fund

Schedule (From Housing Element Adoption): 12 months

Maintenance and Preservation

Goals

- Maintain and enhance the quality of residential neighborhoods in Solana Beach.
- Conserve existing affordable housing opportunities.

Program 9: Illegal Unit Conversion

The City has a large number of second dwelling units that were constructed or converted illegally (without required permits), and may not meet City codes. Many of these units provide affordable housing opportunities that may not otherwise be available. In response to this issue, the City will develop a program for illegal unit conversion. This program will allow homeowners with illegally established second dwelling units on their property to apply for legalization. It will allow the illegal units to exist in perpetuity provided that the units:

- Comply with the current Uniform Building Code and meet City zoning and development standards to the maximum extent feasible;
- Meet the minimum dwelling unit size standards; and
- Are rented to only very low or low income households.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: General Fund

Schedule (from Housing Element adoption): 48 months

Program 10: Preserve Existing At-Risk Units

Two affordable housing developments in Solana Beach have units which are at risk of converting to market rate housing during the 1999-2004 housing element cycle – Silverado Apartments, a 79 unit apartment complex with 32 units set aside for low income seniors, and Solano Park apartments, a 24 unit apartment complex with all units set aside for low income residents. A detailed analysis of the potential methods to prevent the conversion of these units is provided in the Needs Assessment section of this Housing Element.

To preserve the affordability of these units, the City will consider entering into an agreement to continue rental subsidies through an affordability covenant with the owners for those units that are currently held at affordable rents.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: General Fund, In-Lieu Fees for Inclusionary Housing

Schedule (from Housing Element adoption): 12 months

Program 11: Section 8 Rental Assistance

The City will continue to contract with the San Diego County Housing Authority to administer the Section 8 Rental Assistance Program, and will support the County's applications for additional Section 8 allocations. This program provides rental assistance to eligible very low and low income households. The subsidy represents the difference between the rent that exceeds 30 percent of a household's monthly income and the actual rent charged.

Table 45 shows that the City currently has 31 Section 8 recipients, and 22 waiting list applicants. The City publishes flyers in both English and Spanish notifying residents and landlords of the availability of Section 8 rental assistance.

Table 45
SECTION 8 CERTIFICATES
Solana Beach, 1998

	Elderly	Small Family	Large Family	Total
Section 8 Recipients	29	0	2	31
Waiting List Applicants	7	2	13	22

Note: The number of participants in the rental assistance program may change. Program regulations allow participants to move from one community to another.

Source: Housing Authority of the County of San Diego, January 1999

Implementing Agency: City of Solana Beach Community Development Department, Housing Authority of the County of San Diego

Funding Source: U.S. Department of Housing and Urban Development, City of Solana Beach General Fund

Schedule: Ongoing

Program 12: Capital Improvements Program

To ensure the adequate delivery of public services and facilities, the City annually prepares a program of capital improvements. The program does not focus on major infrastructure improvements since the City is already 98 percent developed. The primary focus of the program is repair and maintenance activities.

Implementing Agency: City of Solana Beach Public Works Department

Funding Source: General Fund

Schedule: Ongoing

Program 13: Condominium Conversion Policy

A primary goal of the City is to preserve existing rental housing. Therefore, the City will consider requests for the conversion of existing rental housing of ten or more units to condominium units only when the rental vacancy rate exceeds 6 percent. The rental vacancy rate shall include occupied rental housing, rented but not yet occupied units, vacant for rent units, and rental units unoccupied but having received a certificate of occupancy. In the event that a conversion request is granted, the City shall require that 10 percent of the housing units be reserved for occupancy by very low and low income households or that a fee be paid in-lieu of the reservation of affordable units.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: General Fund

Schedule: Ongoing

Program 14: Residential Code Enforcement

The City's code enforcement program involves several components. The housing stock in need of improvement is identified by complaints made to the City and periodic reconnaissance surveys to check on housing conditions. Obvious code violations are quickly acted on by the staff. The staff also works with individual property owners to address problems and discuss any financial assistance that may be available.

Implementing Agency: City of Solana Beach Community Development Department

Funding Source: General Fund

Schedule: Ongoing

Program 15: Residential Rehabilitation

The County of San Diego's Department of Housing and Community Development rehabilitates owner occupied single family units, mobile home units, and multi-family rental units for lower income residents of the County. This program is available to residents of Solana Beach. As the housing stock in Solana Beach ages, the need for rehabilitation programs will increase. In response, the City of Solana Beach will distribute information regarding the Residential Rehabilitation Program.

The Residential Rehabilitation Program addresses a wide range of rehabilitation needs. These include minor repairs as well as substantial structural, heating, electrical, or plumbing modifications, as well as technical assistance with applying for loans, housing inspections, and construction inspections.

Implementing Agency: City of Solana Beach Community Development Department, County of San Diego Department of Housing and Community Development

Funding Source: City of Solana Beach General Fund, County of San Diego

Schedule: Ongoing

Accessibility of Housing

Goal

- Promote equal opportunity for all residents to reside in the housing of their choice.

Program 16: Mortgage Credit Certificate (MCC)

Homeownership can be key to maintaining a healthy community. The Mortgage Credit Certificate (MCC) program assists low and moderate income first time home buyers. Under this program, which is administered by the County of San Diego, qualified first-time home buyers are able to take a federal income tax credit of up to 20 percent of the annual interest paid on their mortgage. This frees up more capital to buy the home. The City of Solana Beach will distribute information on the MCC program.

Implementing Agency: City of Solana Beach Community Development Department, County of San Diego Department of Housing and Community Development

Funding Source: General Fund, U.S. Department of Housing and Urban Development

Schedule: Ongoing

Program 17: Distribute Fair Housing Information

The City of Solana Beach supports fair housing laws and statutes. To promote equal opportunity, the City participates in the Fair Housing Council of San Diego's (FHCSD) Fair Housing Program. The City distributes the FHCSD's information on fair housing, and refers fair housing questions and housing discrimination claims to the FHCSD.

The FHCSD will:

1. Advocate for fair housing issues;
2. Conduct outreach and education;
3. Provide technical assistance and training for property owners and managers;
4. Coordinate fair housing efforts;
5. Assist to enforce fair housing rights;
6. Collaborate with other fair housing agencies;
7. Refer and inform for non-fair housing problems; and,
8. Counsel and educate tenants and landlords.

Additionally, as part of the CDBG process, the City will explore additional opportunities to enhance fair housing in the City.

Implementing Agency: City of Solana Beach Community Development Department, Fair Housing Council of San Diego

Funding Source: City of Solana Beach General Fund, CDBG, Fair Housing Council of San Diego

Schedule: Ongoing

Quantified Objectives

Housing element law requires that quantified objectives be developed with regard to new construction, rehabilitation, conservation and preservation activities that will occur during the five year housing element cycle. Table 46 summarizes the City of Solana Beach's quantified objectives for the housing element cycle. A description of each follows.

Table 46
QUANTIFIED OBJECTIVES
Solana Beach, 1999-2004

New Construction	Rehabilitation	Conservation	Preservation
105	25	31	56

New Construction

The new construction quantified objective is equal to the City's share of the regional housing need. Although an average of 12 units were built annually between 1990 and 1998, an increased focus on mixed-use development may increase residential development in the City.

Rehabilitation

As the City's housing stock ages, there will be an increased need for housing rehabilitation to preserve neighborhood quality. Therefore, the City will promote rehabilitation programs offered by the County of San Diego. This will result in the rehabilitation of approximately five units per year.

Conservation

Currently the City has 31 residents receiving Section 8 Rental Certificates. The City will continue to participate in the County's program, ensuring that these opportunities are not lost.

Preservation

There are two assisted housing developments (a total of 56 units) in the City at risk of converting to market rate rents. The City will work to preserve these units through an agreement to provide continuing rental subsidy.

APPENDIX A
INCLUSIONARY HOUSING ORDINANCE

CHAPTER 17.70: AFFORDABLE HOUSING

Sections:

Section 17.70.010. Purpose.

This chapter is adopted to establish regulations and standards regarding the construction of affordable housing units, and/or a mechanism and fees to pay In-Lieu fees for the future construction of affordable housing units. The Council hereby determines that this Chapter is necessary to implement the City's Housing Element of its General Plan relative to the provision of housing units for all economic sectors of its population. (Ord 200 § 1, 1994)

Section 17.70.020. Affordable Housing Required.

Developers of residential development projects providing 4 or more dwelling units, or lots for sale for residential purposes, shall construct and set aside 10% of all units or lots in the development project for sale or rental occupancy by very low or low income person(s) or families as such are defined by applicable State law at sales prices or rents affordable to such persons or families. The term of the reservation applicable to each affordable housing unit shall be not less than thirty years from the date of issuance by the city of the occupancy permit for the restrict unit. For the purposes of this chapter, residential development projects include new developments and the conversion of apartments to condominium or other common interest ownership subdivisions. For the purposes of this chapter, a unit is affordable if it meets the requirements for affordable housing costs established by Health and Safety Code Sections 50095 and 50105 or regulations adopted by the California Department of Housing and Community Development determining affordability of residential housing units based upon family size and income levels. (Ord. 214 § 1, 1995; Ord 200 § 1, 1994)

Section 17.70.021. Fractional Units.

When the calculation of the number of affordable housing units required for a development project results in a fractional unit, such fractional unit may be provided by either construction or other provision of an affordable housing unit or by the payment of an in-lieu as follows:

A. The obligation to provide a fractional unit of less than 0.5, or less than 1.0 for a development project of fewer than ten dwelling units, may be satisfied by the payment of an in-lieu fee in an amount equal to the base fee multiplied by the fraction;
B. For development projects of ten or more dwelling units, the obligation to provide a fractional unit of 0.5 or greater shall be satisfied by the construction of a whole unit. (Ord 214 § 2, 1995)

Section 17.70.025. Affordable Housing Design.

When an affordable housing unit is required pursuant to this Chapter, such unit may be constructed as a separate single family residential unit or may be combined with other affordable housing units constructed as a duplex, triplex or fourplex. Affordable housing units shall be designed to be integrated into the residential

style of the development project, and shall have the same general bulk, scale and height as unrestricted residential units in the development. For projects consisting of unrestricted units having one or two bedrooms, each affordable unit shall have at least one bedroom. For projects consisting of unrestricted units having more than two bedrooms, each affordable unit shall have at least two bedrooms unless the average number of bedrooms in all of the unrestricted units is two or fewer, in which event the affordable units may have one bedroom. Whenever a developer is required to construct an affordable housing unit, the developer may construct an additional affordable unit as a part of the same building, so long as the building meets the requirements of this section applicable to the construction of affordable housing units, except that the term of the restriction for the additional unit may be ten years. The additional affordable units shall be restricted for occupancy in the same manner as the required units. For multi-family residential projects, the affordable housing units shall be integrated into the project and provided on-site. (Ord. 236 § 1, 1997)

Section 17.70.030. In-Lieu Fees.

In lieu of providing an affordable housing unit for a fractional unit as set forth in section 17.70.021 a developer of a residential development project subject to the provisions of this chapter may pay a fee for such purposes. The fee shall be paid prior to issuance of building permits for the development project. The base fee shall be in an amount established by separate City Council resolution and determined at the time the fee is paid. All fees collected pursuant to this chapter and all interest accrued thereon shall be expended solely for the purpose of acquiring, constructing, financing, subsidizing or otherwise providing residential units for occupancy by very low- or low-income persons or families and for costs associated with the administration of acquisition, construction, financing, subsidizing or provision of affordable housing units. (Ord 214 § 4, 1995; Ord 200 § 1, 1994)

Section 17.70.031. Provision of Additional Bedrooms Instead of Payment of Fees.

The provisions of this Section shall apply if a developer provides affordable housing units under the provisions of Sections 17.70.025, 17.70.035 or 17.70.051. As an alternative to the payment of fees under Sections 17.80.021 and 17.70.030, the developer may apply for and a credit against the fee obligation for up to 0.4 affordable units may be granted for an additional bedroom or bedrooms if the City Manager finds that the additional bedroom or bedrooms along with other attributes of the affordable unit provides an additional housing benefit substantially equivalent to the amount of the credit requested. The Manager's decision shall be made in writing within 10 days of the date of the request, and may be appealed to the City Council within five business days from the date the Manager's decision is filed with the City Clerk. The appeal shall be made in writing, filed with the City Clerk and shall specify the grounds for the appeal. (Ord 236 § 3, 1997)

Section 17.70.035. Affordable Housing Accessory Structures (AHAS).

As an alternative to providing the affordable housing units set aside within a single family style structure, such units may be provided as an Affordable Housing Accessory Structure ("AHAS") subject to the following standards and conditions:

A. A detached primary dwelling unit exists or will be constructed on the lot or premises;
B. The lot on which an AHAS is proposed shall have a minimum area of 6,000 square feet, not including any commonly owned area;
C. An AHAS may be detached, attached to or contained within the primary dwelling and shall be of the same design and material as the primary unit. An AHAS may be attached as a second story addition to: (a) the principal structure, (b) an attached garage, or (c) a detached garage, subject to the provisions of this title relating to view

assessment and height. The AHAS shall be architecturally integrated with the existing residential structure. The entrance to an AHAS shall not be visible from the street fronting the property;

D. For projects consisting of unrestricted units having one or two bedrooms, each AHAS shall have at least one bedroom. For projects consisting of unrestricted units having more than two bedrooms, each affordable unit shall have at least two bedrooms unless the average number of bedrooms in all of the unrestricted units is two or fewer, in which event an AHAS may have one bedroom. A developer may build more than one AHAS so long as the total number of bedrooms in all of the AHAS units equals the number of bedrooms required under this Subsection.

E. The total floor area of the primary structure and the AHAS shall not exceed the maximum FAR (floor area ratio) for the site;

F. Occupancy of an AHAS shall be limited to very low- and low-income persons or families, at sales prices or rents affordable to them, for a period of not less than 30 years from the date of issuance by the city of the occupancy permit for the AHAS, or for such longer term as may be established by the City Council for the specific project.

G. Two off-street parking space shall be provided for an AHAS in addition to the provision of two off-street parking spaces for the primary unit, unless the AHAS has less than three bedrooms in which event one off-street parking space shall be provided. Parking spaces shall not be located in any required yard or set-back;

H. Any construction of an AHAS shall conform to all property development regulations of the zone in which the property is located as well as all fire, health, safety, and building provisions of this title.

I. An AHAS as permitted by this chapter may be either placed within the proposed development, or be located off-site, within the municipal boundaries of Solana Beach.

J. The construction of an off-site AHAS shall begin concurrently with the commencement of construction of the first residential unit for the development project for which the unit is required and the unit shall be completed and ready for occupancy by an eligible person or family before issuance of occupancy permits for any of the unrestricted units in the development project.

K. A covenant or other deed restriction or agreement prepared by the developer and approved by the City Attorney shall be recorded before issuance of building permits for the accessory unit.

L. The obligation to provide affordable housing units with respect to lot sale developments may be satisfied by the provisions of affordable housing accessory structures so long as each AHAS provided has a minimum of two bedrooms. (Ord 236 § 3, 1997; Ord 214 § 5, 1995)

Section 17.70.040. Redevelopment Projects.

The provisions of this chapter shall not apply to residential projects in the Redevelopment Project Area which have affordable units set aside pursuant to the Community Redevelopment Law and the Solana Beach Redevelopment Plan. Fees collected pursuant to this chapter may be used in conjunction with tax increment funds set aside for low and moderate income housing pursuant to redevelopment law. (Ord 200 § 1, 1994)

Section 17.70-050. Agreements for Construction of Housing.

As an alternative to the construction of affordable housing units on-site or the payment of fees in lieu thereof, one or more developers may agree to construct and thereafter operate an affordable housing development on other property within the City for occupancy by low or very low income households at prices or rents affordable to such households for a period of not less than thirty years. The agreement to construct and operate shall be processed in the manner as set forth in Solana Beach Ordinance 98 for the

processing and approval of development agreements. For the purpose of this Section, an affordable housing development means a development containing not less than the cumulative number of dwelling units which the participating developer or developers not otherwise constructed and restricted by the developer or developers as a part of the development project or projects subject to this chapter, or for which in-lieu fees are not otherwise paid. An affordable housing development may be part of a larger residential or mixed use development project. A non-profit housing developer may participate in the construction and operation of an affordable housing development. This Section is intended to provide a method for the actual construction and operation of affordable housing developments. (Ord 214 § 6, 1995)

Section 17.70.051. Existing Housing Stock.

As an alternative to the construction of affordable housing units on-site or off-site, or the payment of fees in-lieu thereof, a developer may acquire existing housing units, or interests therein, within the City for occupancy by very low or low-income households at prices or rents affordable to such households for a period of not less than thirty years subject to the following standards and conditions:

A. A covenant or other deed restriction or agreement prepared by developer and approved by the City Attorney shall be recorded prior to issuance of occupancy permits for any unrestricted units in the development project;

B. Said unit(s) shall be ready for occupancy by an eligible person or family prior to issuance of occupancy permits for any unrestricted units in the development project;

C. Any substandard units shall be rehabilitated in conformance with applicable local ordinances and State statutes;

D. For projects consisting of unrestricted units having one or two bedrooms, each affordable unit shall have at least one bedroom. For projects consisting of unrestricted units having more than two bedrooms, each affordable unit shall have at least two bedrooms unless the average number of bedrooms in all of the unrestricted units is two or fewer, in which event the affordable units may have one bedroom;

E. If approved by the City Council, a non-profit corporation specializing in housing management, or County of San Diego Department of Housing and Community Development may participate in the acquisition and/or operation of the affordable housing unit(s);

F. This section is intended to provide a method for the actual acquisition, rehabilitation and operation of affordable housing units at diverse locations throughout the City. The City Manager is authorized to approve the acquisition/operation plan and any additional documents necessary to implement this Section. Any proposed units to be acquired in the area defined in the Eden Gardens Master Plan shall require a public hearing and City Council approval due to existing high concentration of affordable housing units in that area. (Ord 236 § 4, 1997)

CITY OF SOLANA BEACH
AFFORDABLE INCLUSIONARY HOUSING REQUIREMENTS

(See Section 17.70 for details)

Applicant's Project Size (1) (# of units or residential lots)	Number of City-Required Affordable Housing Units (2) and	In-Lieu Fees Required
1-3	0	0
4	0	$ 56,000 (3)
5	0	70,000 (3)
6	0	84,000 (3)
7	0	98,000 (3)
8	0	112,000 (3)
9	0	126,000 (3)
10	1	0
11	1	14,000 (3)(4)
12	1	28,000 (3)(4)
13	1	42,000 (3)(4)
14	1	56,000 (3)(4)
15	2	0
16	2	0
17	2	0
18	2	0
19	2	0
20	2	0
21	2	14,000 (3)(4)
22	2	28,000 (3)(4)
23	2	42,000 (3)(4)
24	2	56,000 (3)(4)
25	3	0
26	3	0
27	3	0
28	3	0
29	3	0
30	3	0
31	3	14,000 (3)(4)
32	3	28,000 (3)(4)
33	3	42,000 (3)(4)
34	3	56,000 (3)(4)
35	4	0
36	4	0
37	4	0
38	4	0
39	4	0
40	4	0
41	4	14,000 (3)(4)
42	4	28,000 (3)(4)

1 Please consult with City Staff as to calculations for projects containing residential numbers in excess of this chart.

2 Note that the definition of affordable housing unit is defined by State Law and City Regulations - several different options apply. Applicants are encouraged to provide these units on-site, to acquire existing housing stock off-site, or to build new off-site units.

3 An additional affordable housing unit may be built instead of paying this fee.

4 A credit against this fee may be approved by the City Manager for providing an additional bedroom.

Nov. 1997

APPENDIX B
PROPOSITION CC

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SOLANA BEACH, CALIFORNIA AMENDING SECTION 4.3 OF THE GENERAL PLAN INTRODUCTION AND SECTION 2.2.5 OF THE GENERAL PLAN LAND USE ELEMENT TO MAKE GENERAL PLAN AMENDMENTS THAT MEET OR EXCEED CERTAIN TRAFFIC, ACREAGE OR PROJECT SIZE THRESHOLDS SUBJECT TO A VOTE OF THE PEOPLE

The people of the City of Solana Beach do ordain as follows:

SECTION 1. The following language is hereby added to the City of Solana Beach General Plan as paragraph E. to both Section 4.3 of the General Plan Introduction and Section 2.2.5 of the General Plan Land Use Element:

E. Any proposed General Plan Amendment approved by the City Council and meeting or exceeding any one or more of the following thresholds shall be set by the City Council for the next available general municipal election at no cost to the proponent/applicant of the General Plan change, or set for a special election, the cost of which shall be borne by the proponent/applicant:

1. A project or contiguous projects of two and one half gross acres in size as of the effective date of this Ordinance.

2. A project of which the proposed new General Plan category could potentially allow a building increase of 50,000 square feet as compared to the existing General Plan category. For comparison purposes, the maximum potential Floor Area Ratio requirements of the corresponding zoning for the respective General Plan categories shall be used to calculate potential building increases.

3a. A project of which the proposed new General Plan category could potentially result in an average daily traffic increase of traffic of twenty five percent as compared to the existing General Plan category. For comparison purposes, the maximum potential traffic generator of the corresponding zoning for the respective General Plan categories shall be used to calculate potential traffic increases. The latest traffic generation figures, as compiled, distributed, and intermittently updated by SANDAG, shall be used as the basis for this comparison.

3b. A project of which the proposed new General Plan category could potentially result in a peak hours traffic increase of ten percent as compared to the existing General Plan category. Peak hours are hereby defined as 6:30 a.m. to 9:30 a.m. and 3:30 p.m. to 6:30 p.m. local time. For comparison purposes, the maximum potential traffic generator of the corresponding zoning for the respective General Plan categories shall be used to calculate potential traffic increases. The latest traffic generation figures, as compiled, distributed and intermittently updated by SANDAG, shall be used as the basis for this comparison.

This provision shall not apply to amendments that are necessary to comply with state or federal law.

SECTION 2. SEVERABILITY. The provisions of this ordinance shall not apply to the extent that they violate state or federal laws. If any word, sentence, paragraph, subparagraph, section or portion of this initiative is declared invalid by a court, the remaining words, sentences, paragraphs, subparagraphs, sections and portions are to remain valid and enforceable.

SECTION 3. AMENDMENT OR REPEAL. This ordinance may be amended or repealed only by a four-fifths vote of the City Council.

SECTION 4. EFFECTIVE DATE. Pursuant to the State of California Municipal Elections Code Section 9217, if a majority of the voters voting on a proposed ordinance vote in its favor, the ordinance shall become a valid and binding ordinance of the city. The ordinance shall be considered as adopted upon the date that the vote is declared by the legislative body, and shall go into effect 10 days after that date.

APPENDIX C
DISCRETIONARY PERMIT REQUIREMENTS

CITY OF SOLANA BEACH

MEMORANDUM

1. An application for a development review permit shall be required for any structure or site development which meets any of the following criteria:

   a. New construction (including structural additions to existing development) totaling 30,000 gross square feet or more, except greenhouses in the (A) zone.

   b. Any residential projects of 20 or more units.

   c. Any new common interest developments.

   d. Any development project which involves more than 200 cubic yards of cut or 200 cubic yards of fill, except agricultural grading in the (A) zone.

   e. Any new residential structure or structural additions which exceed 25 feet in height and any new non-residential structure or structural additions which exceed 30 feet in height.

   f. Any development on property located within the Hillside Overlay Zone (HOZ), except minor additions to existing single family residences which do not increase the existing building envelope or floor area by more than 10% or require more than 50 cubic yards of grading. (See Section 17.48.020, Hillside Overlay Zone, for additional exemptions).

   g. Any development on property located within the Scenic Area Overlay Zone (SAOZ), except minor additions to existing structures which do not increase the existing building envelope or floor area by more than 10% or require more than 50 cubic yards of grading. (See Section 17.48.010, Scenic Area Overlay Zone for additional exemptions).

   h. Any development on property located within the Floodplain Overlay Zone (FPOZ), except a single family residence on a single lot including accessory structures thereto which is located at least one foot above the 100 year flood level and is otherwise designed to withstand periodic flooding.

   i. Any development on a coastal bluff top property or on the face or toe of a bluff for which a coastal development permit issued by the California Coastal Commission is presently required.

   j Any development which involves the exterior alteration of a designated historical/cultural landmark pursuant to Section 17.60.160 (Historic/Cultural Landmark Designation Regulations).

   k. Any development project or development option for which a development review permit is required pursuant to a zone, overlay zone, specific plan or other regulatory provision of this Zoning Ordinance.